



**PUBLIC ENTERPRISE ELECTRIC POWER INDUSTRY OF SERBIA,
BELGRADE, CARICE MILICE 2**

TENDER DOCUMENTS

For public procurement of service

**LONG-TERM LOAN AS A FINANCIAL SERVICE
IN PORTIONS**

In an open procedure

Public procurement number 61/14/DEFP

Registration number 2392/17-14
Belgrade, 10.10.2014

Belgrade, Oktober 2014

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1. GENERAL DATA ON PUBLIC PROCUREMENT

- 1.1. Name, address and the website of the Employer: Public Enterprise Electric Power Industry of Serbia Belgrade; Belgrade, Carice Milice 2, www.eps.rs
- 1.2. Type of procedure: Subject procedure is conducted as an open procedure, in accordance with the Law and bylaws which regulate public procurement.
- 1.3. Public procurement subject: long-term loan as a financial service- commercial bank loan. The procurement is divided into portions.
- 1.4. Reserved procurement: no.
- 1.5. E-auction: no.
- 1.6. Purpose of the procedure: procedure is conducted for the conclusion of public procurement contract.
- 1.7. Contact: Svetlana Milićević, e-mail: svetlana.milicevic@eps.rs

2. DATA ON PUBLIC PROCUREMENT SUBJECT

2.1. Description of *procurement subject*, name and designation in the Common Procurement Vocabulary:

- *Description of procurement subject*: procurement of financial service – loan in total value of EUR 200,000,000.00 (two hundred million euros) (in the case of domestic Bidder: currency clause) in portions so that each portion (identical lot) can be evaluated separately; with the deadline of 4 (four) years, including grace period of 1,5 (one and a half) year, with the aim of securing funds available in period from November 2014 to the end of March 2015, for the purpose of securing funds necessary for urgent, prompt, planned and organized initiation of elimination of flood consequences, preparation for the forthcoming winter period 2014/15, when the increased consumption is expected and potential increase of electricity purchase, and for ensuring safe and efficient business operation of EPS group, regular electricity supply of industry and citizens in the following period.
- *name in CPV*: approving loan services;
- *designation in CPV*: 66113000.

2.2. Description of *portion*, name and designation in the Common Procurement Vocabulary:

- Public procurement subject is divided into 40 (forty) portions (identical lots) so that each may be evaluated separately. Since the loan, which is the subject of procurement, is divided into 40 (forty) portions (identical lots), which are equal, the portions are not separately labeled.
- Amount of portion is EUR 5,000,000.00 (five million euros) (in the case of domestic Bidder: currency clause)
- *name in CPV*: approving loan services;
- *designation in CPV*: 66113000.

2.3. The amount of total loan shall be increased by the amount of interest and other costs.

2.4. Detailed characteristics of loan, for which the procurement is conducted, are given in Tender Documents.

3. CONDITIONS FOR PARTICIPATION UNDER ARTICLE 75 AND 76 OF PUBLIC PROCUREMENT LAW AND INSTRUCTION ON HOW TO PROVE FULFILLMENT OF THOSE CONDITIONS

3.1. Bidder must fulfill the following mandatory conditions for participation in public procurement procedure, i.e.:

3.1.1- Condition under Article 75 para 1 item 1) of Public Procurement Law („Official Gazette of RS“, no. 124/12) (hereinafter referred to as: Law) that is registered with the competent authority i.e. entered into the corresponding register and as the evidence for legal entity it is necessary to submit the extract from the Business Registers Agency of the Republic of Serbia; for foreign Bidders the extract from the corresponding registry of the competent authority of the state of its head office;

3.1.2- Condition under Article 75 para 1 item 2) of the Law that it or its legal representative have not been convicted for any criminal act as members of an organized criminal group; that it has not been convicted for commercial criminal offence, criminal offence against environment, criminal offence of receiving or offering bribe, criminal offence of fraud and as an evidence for legal entity it is necessary to submit the extract from criminal records, i.e. certificate of the competent court and competent Police Administration of the Ministry of Interior that it or its legal representative have not been convicted for any criminal act as members of an organized criminal group; that it has not been convicted for commercial criminal offence, criminal offence against environment, criminal offence of receiving or offering bribe, criminal offence of fraud;

1. Extract from criminal records of Municipal Court at whose territory is the head office of the domestic legal entity, i.e. head office of the representative or branch of foreign legal entity (for legal entity);
2. Extract from criminal records of the Special Department (for organized crime) of Higher Court in Belgrade (for legal entity);
3. Certificate from criminal records of Police Administration of the Ministry of Interior for its legal representative – request for issuance of this certificate might be submitted by place of birth or by residence (for natural person).

If there are several legal representatives for each the certificate from criminal records is submitted.

For foreign Bidders the certificate by the competent authority of the state of its head office;
(evidence should not be older than two months prior to Bid opening)

3.1.3- Condition under Article 75 para 1 item 3) of the Law that a binding court or administrative measure prohibiting the performance of activities has not been pronounced against the Bidder at the time the public invitation was published, i.e. sending invitation to tender, and as an evidence for legal entity it is necessary to submit the certificate of Commercial and Magistrates Court that measure prohibiting the performance of the activity, or certificate of the Business Registers Agency that is has not been registered with this authority, that the measure of prohibiting its performance as the company has not been pronounced;

For foreign Bidders the certificate by the competent authority of the state of its head office;
(evidence issued after invitation to Bid was published)

3.1.4- Condition under Article 75 para 1 item 4) of the Law that it settled all due taxes, contributions and other public duties in accordance with the regulations of the Republic of Serbia, and as an evidence for legal entity it is necessary to submit the certificate issued by the Tax Authority of the Serbian Ministry of Finance and Economy that it has settled all due taxes and contributions and the certificate issued by the competent local government authority indicating that it has settled all source local public revenues.

For foreign Bidders the certificate by the competent authority of the state of its head office.
(evidence should not be older than two months prior to Bid opening)

3.1.5- Condition under Article 75 para 1 item 5) of the Law that it has valid permit issued by competent body to carry out activity which is the subject of public procurement, if such permit is stipulated by special regulation and as an evidence for legal entity it is necessary to submit valid permit for carrying out appropriate activity, issued by the competent authority- valid permit by the National Bank of Serbia;

For foreign Bidders the certificate by the competent authority of the state of its head office.

3.2. Conditions that each member of the group of Bidders has to fulfill

Each member from the group of Bidders submitting a joint Bid has to fulfill conditions under **article 75 para 1 item 1) to 4) of the Law**, which it **proves** by submitting the evidence stated in this section. Condition under Article 75 para 1 item 5) of the Law has to be fulfilled by the member of the group of Bidders which was entrusted with execution of the part of procurement for which the fulfillment of that condition is necessary.

3.3. Fulfillment of the conditions under Article 75 para 2 of the Law

Condition under Article 75 para 2 Employer requires from the Bidder to explicitly state when preparing its Bid that it was in compliance with obligations which arise from valid regulations on safety at work, employment and working conditions, environmental protection, as well as that the Bidder guarantees that it is the holder of intellectual property right.

Regarding this condition **the Bidder shall submit in its Bid the Statement in accordance with Form 5** from the Tender Documents. Statement has to be signed by the authorized person of the Bidder and stamped.

If the Bid is submitted by a group of Bidders, Statement has to be signed by each authorized person from the group of Bidders and stamped.

3.4. The manner of evidence submission

Evidence on fulfillment of conditions may be submitted as uncertified copies, and Employer may, before decision on awarding the contract, demand from the Bidder, whose Bid was evaluated as most favorable on the grounds of the Report of Public Procurement Committee, to submit the original documents or certified copies of all or of only some of evidence.

If the Bidder fails to submit original or certified copies of requested evidence within the given adequate deadline, which cannot be less than five days, the Employer shall refuse its Bid as unacceptable.

Bidders that are registered with the Business Registers Agency do not need to submit evidence from Article 75, paragraph 1 item 1) Extract from Business Registers Agency, which is public and published on the website of the Business Registers Agency.

Employer shall not reject the Bid as unacceptable, if it does not contain evidence defined in Tender Documents, if Bidder states in the Bid the web page where the data required as a condition are publicly available.

If the evidence on fulfillment of conditions is document in e-form, Bidder shall submit a written copy of document in e-form, in accordance with the law governing document in e-form, unless it shall submit the Bid in e-form when the evidence is submitted in original e-form.

If the Bidder has its registered seat in another country, Employer can verify whether documents by which the Bidder proves the fulfillment of requested conditions were issued by the competent authorities of that country.

If the evidence under Article 77, paragraph 1, from item 1) to 5) of the Law is not issued in the country where the Bidder has its seat the Bidder can, instead of the evidence, submit its written statement, given under substantive and criminal liability certified by the court or administrative body, public notary or other competent body of that country.

If the Bidder could not obtain required documents within the deadline for submission of Bid, because they could not have been issued from the moment of Bid submission according to the regulations of the country in which the Bidder has its seat and if the Bidder submits appropriate evidence together with the Bid, Employer shall allow the Bidder to submit the required documents subsequently, within the appropriate deadline.

The Bidder shall without delay inform the Employer in written form on every change regarding the conditions' fulfillment from the public procurement procedure, that occurs until decision making, i.e. contract conclusion, i.e. during validity period of the public procurement contract and it shall prepare the documents in prescribed manner.

4. INSTRUCTION TO BIDDERS ON HOW TO PREPARE BID

Tender Documents contain Instructions to Bidders on how to prepare a Bid and the necessary data on the Employer's requirements in terms of Bid contents, as well as the conditions under which the selection of the most favorable Bid is carried out under the public procurement procedure.

The Bidder shall meet all conditions stipulated by Public Procurement Law (hereinafter referred to as: Law) and Tender Documents. The Bid shall be prepared and submitted on the basis of the Invitation, in accordance with the Tender Documents, otherwise, the Bid shall be rejected as unacceptable.

4.1. Information on the language in public procurement procedure

Employer shall conduct the procurement procedure in Serbian.

Tender Documents is prepared in Serbian and English.

Domestic Bidder shall submit the Bid in Serbian, and the foreign Bidder may submit a Bid in English. If Employer during the procedure of Bid review and evaluation determines that the part of

the Bid has to be translated to Serbian, it shall give to the Bidder optimal deadline within which it shall at its own expense translate that part of the Bid.

In the event of dispute the Serbian version of Tender Documents, i.e. Bid, shall prevail.

In a situation where there are domestic offers and offers by foreign Bidders, who provide services or perform work, the Employer must choose the offer by the domestic Bidder provided that its Bid price is not more than 15% compared to the lowest price offered by the foreign Bidder, in accordance with Article 86, paragraph 3 of the Law.

Note: In accordance with Article 86, paragraph 6 of the Law, Domestic bidder is resident legal person, in terms of the law governing corporate income tax, or resident natural person, in terms of the law governing personal income tax.

If joint Bid is submitted, group of Bidders is considered to be domestic Bidder, if each member of the group of Bidders is the person in accordance with Article 86 paragraph 6 of the Law.

4.2. Special requirements regarding Bid preparation method and the Bid form filling instructions

Bidder shall prepare the Bid in such a way to, clearly and unambiguously by hand, type on the computer or typewriter without typing mistakes, fill in Forms with required data or according to Forms which make the integral part of Tender Documents and certify it with seal and the signature of the legal representative.

If Bidder makes mistake when filling in documents, it has to bleach it and fill it in correctly, and the place where the mistake was made to be signed by authorized person of Bidder and certify it with seal.

If person authorized for signing Bid and/or signing contract is not registered as the representative of the Bidder within the Business Registers Agency, it is necessary to submit the power of attorney for representation, i.e. signing Bid and/or contract for that person.

All documents submitted in the Bid shall be bound in one whole with a string and sealed (with wax or some other way), thus preventing additional insertion, removal or replacement of individual sheets of paper, i.e. annexes, without visible damage to the sheets or the stamp.

The original Bid Bond and the original letter of intent of the bank guarantor stating that they shall issue a performance bond, should not be punched when binding the Bid, but they should be inserted in perforated plastic files and closed at the top by the Scotch tape. These plastic files are to be bound within the Bid.

Bidder shall submit the Bid with evidence certifying the fulfillment of the Tender Documents conditions in person or by e-mail, in a closed and sealed envelope, so that it can be verified with certainty that it was opened for the first time, to the following address: Javno preduzeće „Elektroprivreda Srbije“, 11000 Beograd, Srbija, Balkanska 13, PAK 103101 - Records Division – labeled with: **“Bid for the public procurement of long-term loan as a financial service in portions in an open procedure Public procurement number 61/14/DEFP - DO NOT OPEN”**.

The back of the envelope shall contain the exact name and address of the Bidder, phone number and fax of the Bidder, as well as the name and surname of authorized contact person.

4.3. Bid submission, amendment, addition and cancellation

Bidder may submit one Bid for maximum 40 portions (identical lots) under the same loan conditions, and in accordance with this Tender Documents.

Bid shall include at least one entire portion. Employer shall not accept the Bid for the part of the portion.

In the event the Bidder submits a Bid for several portions, Bidder may offer different loan conditions per portions (identical lots), and in accordance with Tender Documents. In that event the Bidder shall give as many offers as there are different loan conditions per portions (identical lots), so that they could be evaluated separately per portions (identical lots), whereas it cannot offer more than 40 portions (identical lots) cumulatively.

Bidder may submit a Bid independently or a group of Bidder may submit a joint Bid.

The Bidder who submitted the Bid individually may not simultaneously participate in the joint Bid. In the event that the Bidder acts contrary to these instructions, each Bid it participates shall be rejected.

The Bidder may be the member of only one group of Bidders submitting a joint Bid, i.e. participate in only one joint Bid. If the Bidder has within the group of Bidders submitted two or more joint Bids, the Employer shall reject all such Bids.

Within the Bid submission deadline, the Bidder may amend an already submitted Bid in writing to the Employer's address, labeled with "AMENDMENT - „**Bid for the public procurement of long-term loan as a financial service in portions in an open procedure** “- Public procurement number **61/14/DEFP – DO NOT OPEN**".

In the event of amendment to the submitted Bid, the Employer shall throughout the Bid expert evaluation consider the amendments only if they have been made wholly and in accordance with the form to which they relate from the already submitted Bid.

Within the Bid submission deadline, the Bidder may cancel its already submitted Bid in writing to the Employer's address, labeled with: 'CANCELLATION - „**Bid for the public procurement of long-term loan as a financial service in portions in an open procedure** – Public procurement number **61/14/DEFP –DO NOT OPEN** “.

If the Bidder cancels an already submitted Bid prior to the expiry of the Bid submission deadline, the Employer shall not open this Bid, and it shall return it unopened to the Bidder.

If the Bidder amends or cancels the submitted Bid after the Bid submission deadline has expired, the Employer shall collect the Bid Bond.

4.4. Portions

Public procurement subject is divided into 40 (forty) portions (identical lots), EUR 5,000,000.00 each (five million euros) (in the case of domestic Bidder: currency clause) so that each may be evaluated separately.

Since the subject of procurement is divided into 40 (forty) portions (identical lots), portions are not separately labeled.

Bidder may submit a Bid for the entire procurement, for one or more portions, and 40 portions (identical lots) maximum.

Bidder may offer different loan conditions per portions (identical lots), and in accordance with Tender Documents. In that event the Bidder shall give as many offers as there are different loan conditions per portions (identical lots), so that they may be evaluated separately per portions (identical lots), whereas it cannot offer more than 40 portions (identical lots) cumulatively in all its Bids.

Bid shall include at least one entire portion. The Employer shall not accept Bid for the part of the portion.

4.5. Bid with variants

Bid with variants is not permitted.

4.6. Bid submission deadline and Bid opening

A timely Bid is deemed to be a Bid received and sealed with a receipt stamp by the Employer's Records Division, no later than **19.11.2014 until 10:00**, regardless of the manner they were sent.

If the Bid is submitted after the expiry of the Bid submission deadline indicated in the Invitation and the Tender Documents, it shall be considered as untimely, while the Employer shall after the finalization of the Bid opening procedure return it to the Bidder unopened, with an indication that it was not submitted in time.

Public Procurement Committee shall open timely submitted Bids publicly on **19.11.2014 at 10:15** at the premises of Javno preduzeće "Elektroprivreda Srbije", Beograd, Balkanska 13, meeting room number 26 on second floor.

Bidders' representatives taking part in the public Bid opening procedure shall prior to the public Bid opening procedure submit a power of attorney in writing for the participation in this procedure to the Public Procurement Committee issued on the Bidder's letterhead, filed, sealed and signed by the authorized person of Bidder.

Public Procurement Committee shall take Minutes of Bid opening containing the data stipulated by the Law.

Minutes of Bid opening is signed by members of the Committee and authorized representatives of Bidder that take over the copy of the Minutes.

The Employer shall within 3 days after the Bid opening procedure has been finalized send the Bid opening Minutes by post or e-mail also to the Bidders who did not participate in the Bid opening procedure.

4.7. Group of Bidders (joint Bid)

Bid may be submitted by the group of Bidders. In case that a group of Bidders submit a joint Bid, the integral part of the joint Bid has to be a Contract by which the Bidders from the group commit between themselves and towards Employer to execution of public procurement, and which has to contain information stipulated by Article 81 paragraph 4 of the Law:

- 1) the member of the Group that shall be the Holder of the work i.e. that shall submit the Bid and that shall represent the Group of Bidders before the Employer;
- 2) the Bidder that shall on behalf of the Group of Bidders sign the contract;
- 3) Bidder that shall on behalf of the Group of Bidders give financial security instruments;
- 4) Bidder that shall issue the bill;
- 5) the account to which the payment shall be executed;
- 6) the obligations of each Bidder from the Group of Bidders for contract execution.

In addition to the stated, contract may include data on the member of the Group that is authorized to fill in, sign and potentially seal all forms in the Bid.

Bidders from the group of Bidders have unlimited joint and several liability towards the Employer in accordance with the Law.

Each Bidder from the group of Bidders that submits a joint Bid has to fulfill conditions under Article 75 paragraph 1 item 1) to 4) of the Law, which it proves in the manner stated in Section Conditions for participation under Article 75 and 76 of the Law and Instruction on how to prove the fulfillment of those conditions. Condition under article 75 paragraph 1 item 5) of the Law has to be fulfilled by the Bidder from the group of Bidders which was entrusted with execution of the part of procurement for which the fulfillment of those conditions is necessary.

In the event of joint Bid of the group of Bidders all Forms shall be signed and certified by the member of the group of Bidders defined as the Holder of the work in the contract of the members of the group of Bidders, except Form number 2A and Form 5 which is filled in, signed and stamped by each member of the group of Bidders on its own behalf.

4.8. Price

Offered price is determined for the portion (identical lot), as the value from appropriate Bid of the Bidder which represents a sum of total costs for portion (identical lot) from the Bidder's Bid.

Offered price for portion (identical lot), is determined as the value stated in the appropriate Bid of the Bidder in item IV. 17 of filled in Form 1 from this Tender Document, and as a sum of:

1. The amount of total calculated loan interest per portion (identical lot) until the end of repayment period stated in item IV.9 of the filled in Form 1 from this Tender Documents.
2. The sum of loan costs and fees per portion (identical lot), without interest, which are included in the calculation of effective interest rate, stated in item IV.12 of the filled in Form 1 from this Tender Documents.
3. The sum of other loan costs per portion (identical lot) that are not included in the

calculation of the effective interest rate stated in item IV.15 of filled in Form number 1 of this Tender Documents.

Offered price is shown in EUR without tax.

Bidder shall not impose additional costs to the Employer that are not specified in Bidder's Bid i.e. filled in Form number 1 and filled in Form number 4.

After concluding Loan Agreement the important elements of the contract may be amended due to objective reasons that arise from Energy Law ("Official Gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated obligations of Public Enterprise Electric Power Industry of Serbia Belgrade and its subsidiaries to undertake measures and activities by which the circumstances or events that may jeopardize safe and regular electricity supply of tariff customers and uninterrupted functioning of electricity generation and distribution capacities and coal production capacities shall be prevented.

4.9. Financial Security Instruments

In accordance with Article 61 paragraph 7 of the Law, the Employer requires from Bidder to submit along with the Bid, for financial security, the original Bid Bond and original Letter of Intent for the issuance of Performance Bond.

The original Bid Bond and the original letter of intent of the bank guarantor stating that they shall issue a performance bond, should not be punched when binding the Bid, but they should be inserted in perforated plastic files and closed at the top by the Scotch tape. These plastic files are to be bound within the Bid.

A) Bid Bond

The Employer requires from Bidder to submit along with the Bid, for financial security, the original, irrevocable, unconditional, payable at first demand (without protest) Bid Bond in favor of PE EPS Belgrade, valid at least 60 (in letters: sixty) days as of Bid opening, in the amount of 1% of offered amount, which is determined by multiplication of the offered number of portions (identical lots) and value of portion (identical lot) from the Bid no. ____ of the Bidder, stated in item IV 3 filled in Form number 1), which is governed by the provisions of the Uniform Rules for Demand Guarantees, revision 2010 (URDG 758) of the International Chamber of Commerce in Paris, under which the Guarantor guarantees that PE EPS Belgrade (Beneficiary of the bond) shall be paid a total amount on receipt of the first demand from PE EPS Belgrade (Beneficiary of the bond) in writing and declaration stating that:

1. The Bidder (Principal) has modified or cancelled its bid during the validity period without the consent of PE EPS Belgrade (Beneficiary of the bond)
2. the Bidder (Principal), although notified that his bid has been accepted by PE EPS Belgrade (Beneficiary of the bond) as the most favorable bid and invited to sign the contract within a period of 3 (three days), has failed to sign the contract within the prescribed period or has refused to sign the contract, according to the conditions of the bid
3. The Bidder (Principal) has failed or refused to submit a performance bond.

If the Bidder submits a bond issued by a foreign bank, such bank must have at least credit rating that corresponds to the credit rating level 3 (investment grade).

The bank guarantee shall be considered incorrect if it does not contain all the above mentioned elements.

B) Letter of Intent of the Bank Guarantor to Issue Performance Bond

The Bidder is required to submit, along with his Bid, the original of the letter of intent of the Bank Guarantor to issue Performance bond no later than three (3) days from the date of contract conclusion.

In letter of intent the following has to be stated:

- That Performance bond shall be issued in the form of the Draft Performance bond under Tender Documents PP No. **61/14/DEFP**
- That Performance bond shall be issued as irrevocable, unconditional and payable on first demand, without protest, performance bond to PE EPS Belgrade, in the amount of 5% of the offered amount, which is determined as the product of offered number of portions (identical lots) and the value of the portion (identical lot) from the Bid no. ____ of the Bidder stated in item IV 3 of the filled in Form 1), without VAT, with validity period of at least ten (10) days longer than the period of loan disbursement, which is governed by the provisions of the Uniform Rules for Demand Guarantees, revision 2010 (URDG 758) of the International Chamber of Commerce in Paris, under which the Guarantor guarantees that PE EPS Belgrade (Beneficiary of the bond) shall be paid a total amount on receipt of the first demand from PE EPS Belgrade (Beneficiary of the bond) in writing and declaration stating that:
 1. the Bidder (Principal) is in breach of its Agreement obligation(s), and
 2. in which respect the Bidder (Principal) has made the breach.

If the Bidder submits letter of intent of the foreign Guarantor bank, such bank must have at least credit rating that corresponds to the credit rating level 3 (investment grade).

Letter of intent of the foreign Guarantor bank shall be considered incorrect if it does not contain all the above mentioned elements.

Performance Bond shall be returned to the Employer once the loan is repaid in full.

Bidder shall along with its bid, given in the form of filled in Form no.1 under Tender Documents, submit:

- the original Bid Bond and
- Original letter of intent for the issuance of Performance Bond,

In everything in accordance with aforementioned conditions, otherwise the bid shall be considered unacceptable and shall be rejected.

4.10. Additional Information and Clarifications

Interested person may, in written form, require additional information or clarifications regarding Bid preparation, no later than five days prior to the expiry of Bid submission deadline, at the address of the Employer, with the label: "CLARIFICATION – Public procurement number **61/14/DEFP** " or via e-mail address: svetlana.milicevic@eps.rs

Employer shall within 3 days upon the receipt of request send a reply in written form to the applicant and it shall publish this information on the Public Procurement Portal and its website.

Communication in the public procurement procedure is performed in a manner stipulated by the Article 20 of the Law.

4.11. Additional explanation, control and permitted corrections

Employer may, after the opening of Bids, in written form or via e-mail, request from the Bidder additional explanations that shall help during review, evaluation and comparison of the Bids, as well as to perform the control (insight) of the Bidders and/or its Subcontractor, i.e. participants in the joint Bid.

The Bidder shall act upon the request of the Employer, i.e. it shall submit required explanations and enable direct insight.

Employer can, with the consent of the Bidder, make the corrections of calculation errors observed during the consideration of the Bid upon finalized Bid opening procedure.

4.12. Negative references

Employer shall reject the Bid if it has the evidence that Bidder in the previous three years in the public procurement procedure:

1. did not act in accordance with the ban from Article 23 and 25 of the Law;
2. breached competition rules;
3. submitted false data in Bid or without justified reasons refused to conclude the public procurement contract, after contract was awarded to it;
4. refused to submit evidence and security instruments for which it was obliged according to Bid.

Employer shall reject the Bid if it has the evidence confirming that the Bidder did not fulfill its obligations under previously concluded public procurement contracts referring to the same subject of procurement, for the period of three previous years. Evidence of the stated can be:

- final and binding court decision or final decision of other competent body;
- document on collected security instrument for the fulfillment of obligations in public procurement procedure or fulfillment of contractual obligations;
- document on collected liquidated damages;
- complaints of the customers, i.e. users, if not solved in the agreed deadline;
- statement on contract termination due to failure to fulfill essential contractual elements, given in the manner and under conditions prescribed by the law governing contracts and torts;
- evidence on having engaged the persons not named in Bid as members of the group of Bidders to implement public procurement contract;

Employer may reject Bid if it possesses evidence under paragraph 3 item 1) of Article 82 of the Law which refers to procedure executed or contract awarded by another Employer, where it refers to the same type of public procurement subject.

Employer shall also act in the stated manners in the case of joint Bid of the group of Bidders if it finds that aforementioned evidence for one or more members of the group of Bidders exist.

Based on the adopted conclusions in accordance with Article 83 of the Law, Public Procurement Office keeps the list of negative references published on Public Procurement Portal.

Employer shall reject the Bid of the Bidder that is on the list of negative references as unacceptable if the subject of public procurement is of the same type as the subject for which the Bidder got negative reference.

If public procurement subject is not of the same type as subject for which Bidder got negative reference, the Employer shall request additional guarantee for the fulfillment of contractual obligations.

As additional security, in this case, the selected Bidder shall, at the moment of contract conclusion submit to the Employer additional Performance Bond in the amount of 15% of the contract value, VAT excluded.

4.13. Contract awarding criteria

Selection of the most favorable Bid of the portion (identical lots) shall be performed by application of the criterion "The lowest offered price" for portion (identical lot).

Since the procurement is divided into 40 portions (identical lots) of the same value of EUR 5,000,000.00 each, the Employer shall make single rank list for the entire procurement of 40 portions (identical lots) at offered prices for portion (identical lot).

The Employer ranks acceptable Bids of the Bidders per portions (identical lots) so that on the list the best ranked portion (identical lot) is the one with the lowest price stated in the corresponding Bid of the Bidder in item IV.17 of the filled in Form 1 of this Tender Documents.

If the Bidder with the lowest price per portion (identical lot) did not submit Bid for all 40 portions (identical lots), under the same loan conditions per portions (identical lots), and in accordance with this Tender Documents, the selection of the next Bid with the lowest price per portion (identical lot) will follow and so on until 40 required portions (identical lots) are reached.

Therefore, it is possible that the Employer awards to the selected Bidder from rank list the contract for smaller number of portions (identical lots), under the same loan conditions, than the number offered by it.

If several Bidders have the same offered price per portions (identical lots), better ranked portions (identical lots) shall be from the relevant Bid of the Bidder which was earlier filed in the records division of PE EPS Belgrade, and in accordance with this Tender Documents.

One Contract shall be concluded with the Bidder who is awarded contracts for several portions (identical lots) with the same loan conditions.

4.14. Bid evaluation methodology

In evaluation of Bids "The lowest offered price" per portion (identical lot) shall be used as the criterion.

The offered price of public procurement of the loan per portion (identical lot) is determined as the sum of total costs and is stated in the relevant Bid of the Bidder in item IV. 17 of the filled in Form number 1 of this Tender Documents, as the sum of:

1. Amount of the total calculated interest of the loan per portion (identical lot) until the end of the repayment period stated in item IV.9 of the filled in Form number 1 of this Tender Documents.
2. Sum of costs and fees of the loan per portion (identical lot), without interest, which are included in the calculation of the effective interest rate stated in item IV.12 of the filled in Form number 1 of this Tender Documents.
3. Sum of other costs of the loan per portion (identical lot) which are not included in the calculation of the effective interest rate stated in item IV.15 of the filled in Form number 1 of this Tender Documents.

4.15. Ranking of Bids

Ranking of acceptable portions (identical lots) from the Bid of the Bidder shall be performed at offered prices of the portions (identical lots), at growing value starting from the portion (identical lot) with "The lowest offered price".

Since the procurement is divided into 40 portions (identical lots) of the same value of EUR 5,000,000.00 each, the Employer shall make single rank list for the entire procurement of 40 portions (identical lots) at offered prices for portion (identical lot).

The Employer ranks acceptable Bids of the Bidders per portions (identical lots) so that on the list the best ranked portion (identical lot) is the one with the lowest price stated in the corresponding Bid of the Bidder in item IV.17 of the filled in Form 1 of this Tender Documents.

If the Bidder with the lowest price per portion (identical lot) did not submit Bid for all 40 portions (identical lots), under the same loan conditions per portions (identical lots), and in accordance with this Tender Documents, the selection of the next Bid with the lowest price per portion (identical lot) will follow and so on until 40 required portions (identical lots) are reached.

Therefore, it is possible that the Employer awards to the selected Bidder from rank list the contract for smaller number of portions (identical lots), under the same loan conditions, than the number offered by it.

If several Bidders have the same offered price per portions (identical lots), better ranked portions (identical lots) shall be from the relevant Bid of the Bidder which was earlier filed in the records division of PE EPS Belgrade, and in accordance with this Tender Documents.

4.16. Evaluation of Bids

In evaluation of Bids "The lowest offered price" per portion (identical lot) shall be used as the criterion.

In evaluation of acceptable portions (identical lots) from relevant Bids of the Bidders "The lowest offered price" per portion (identical lot) shall be used as the criterion.

Since the procurement is divided into 40 portions (identical lots) of the same value of EUR 5,000,000.00 each, the Employer shall make single rank list for the entire procurement of 40 portions (identical lots) at offered prices for portion (identical lot).

The Employer evaluates acceptable Bids of the Bidders per portions (identical lots) so that on the list the best ranked portion (identical lot) is the one with the lowest price stated in the corresponding Bid of the Bidder in item IV.17 of the filled in Form 1 of this Tender Documents.

If the Bidder with the lowest price per portion (identical lot) did not submit Bid for all 40 portions (identical lots), under the same loan conditions per portions (identical lots), and in accordance with this Tender Documents, the selection of the next Bid with the lowest price per portion (identical lot) will follow and so on until 40 required portions (identical lots) are reached.

Therefore, it is possible that the Employer awards to the selected Bidder from rank list the contract for smaller number of portions (identical lots), under the same loan conditions, than the number offered by it.

If several Bidders have the same offered price per portions (identical lots), better ranked portions (identical lots) shall be from the relevant Bid of the Bidder which was earlier filed in the records division of PE EPS Belgrade, and in accordance with this Tender Documents.

4.17. Compliance with safety at work regulations and other regulations

Bidder shall when preparing the Bid explicitly state that it complied with all valid regulations on safety at work, employment and working conditions, environmental protection, as well as that the Bidder guarantees that it is the holder of intellectual property right.

4.18. Patent use fee

Patent use fee, as well as responsibility for infringement of protected intellectual property rights of third parties shall be borne by the Bidder.

4.19. Bid validity period

The Bid shall be valid at least 60 (sixty) days as of the Bid opening day.

In the event that the Bidder indicates a shorter Bid validity period, the Bid shall be rejected as unacceptable.

4.20. Contract signing deadline

Employer concludes the Contract on public procurement with the Bidder to whom the contract was awarded within 8 (eight) days as of the date of the expiry of deadline for the submission of the request for the protection of rights. One Contract shall be concluded with the Bidder who is awarded contracts for several portions (identical lots) with the same loan conditions.

If the Employer does not submit the signed contract to the Bidder within the deadline from paragraph 1, the Bidder shall not be obliged to sign the contract and that shall not be considered as declining from the Bid and may not bear any consequences, unless request for the protection of rights is timely submitted.

If the Bidder whose Bid was selected as the most favorable one does not sign the contract within the stated deadline, the Employer shall decide whether it will sign the contract on public procurement with the next most favorable Bidder.

4.21. Confidential data labeling method

Data appropriately labeled by the Bidder as confidential shall be used only within the public procurement procedure in accordance with the Invitation and they shall not be made available to anyone outside the group of persons included in the public procurement procedure. Such data shall neither be published during Bid opening, nor in the continuation of the procedure.

The Employer may refuse to provide information that would entail a breach of data confidentiality received in the Bid.

The Bidder may label as confidential documents containing personal data, not contained in any public register, or otherwise not available, as well as business data determined by the regulations as confidential.

The Employer shall regard as confidential the documents labeled in capital letters with CONFIDENTIAL in the upper right corner.

The Employer shall not be responsible for the confidentiality of information not labeled in the above specified manner.

If certain information is labeled as confidential and it does not meet the above specified conditions, the Employer shall request from the Bidder to remove the confidentiality label. The Bidder shall perform this in the following manner: its authorized representative shall write CANCELLED above the confidentiality label, with the date, time and signature.

If the Bidder does not cancel the confidentiality of documents within the period specified by the Employer, the Employer shall regard this Bid as one without confidential information.

Employer shall duly observe lawful interests of Bidders, by protecting their technical and trade secrets in terms of the law governing the protection of trade secrets.

Evidence on fulfillment of mandatory conditions, price and other information from the Bid relevant for applying elements of the criterion and for the ranking of Bids shall not be deemed as confidential.

4.22. Bid costs

Costs for preparation and submission of Bid shall be borne exclusively by the Bidder and cannot be reimbursed by the Employer.

Bidder may include in its Bid the total amount and structure of costs for Bid preparation.

Costs of sample or model development may be expressed in Bid preparation costs form, if developed in accordance with the Technical specifications of the Employer as well as the costs of acquiring security instruments.

4.23. Reasons for rejection of the Bid and cancellation of the procedure

In public procurement procedure the Employer shall reject the unacceptable Bid in accordance with Article 107 of the Law.

The Employer shall adopt the decision on cancellation of the public procurement procedure in accordance with Article 109 of the Law.

4.24. Data on content of the Bid

Content of the Bid includes evidence on fulfillment of conditions from Article 75 and 76 of the Public Procurement Law, stipulated in Article 77 of the Law, that are listed in the Tender Documents, as well as all required annexes and statements in the manner provided in the following paragraph of this item:

1. Form number 1. –form “Bid no.:_____ for _____ portions (identical lots)”, issued on the Bidder’s letterhead, filled in, signed by the authorized person of the Bidder and stamped;
2. Form number 2. – form “Data on Bidder”, filled in, signed by the authorized person of the Bidder and stamped;
3. Form number 2.A – form “Data on Bidder participating in joint Bid, if the Bid is submitted by the group of Bidders” (submitted if needed), filled in, signed by the authorized person of the Bidder and stamped;
4. Form number 3. – form “Statement on individual Bid” signed by the authorized person of the Bidder and stamped;
5. Form number 4.–form “Price structure form for Bid no. _____, per portion (identical lot) with the instruction how to be filled in”, filled in, signed by the authorized person of the Bidder and stamped;
6. Form number 5. – form Statements in accordance with Article 75 paragraph 2 of the Law, signed by the authorized person of the Bidder and stamped;
7. Form number 6. – “Bid preparation costs form” (submitted if needed) filled in, signed by the authorized person of the Bidder and stamped;
8. Original Bid Bond, in accordance with Tender Documents;
9. Original letter of intent of bank for the issuance of Performance Bond in accordance with Tender Documents;
10. Model Agreement, filled in in accordance with own Bid from the filled in Form no 1, Loan application from Tender Documents and fully in accordance with Tender Documents;
11. Evidence on the fulfillment of conditions from Articles 75 and 76 of the Law in accordance with Article 77 of the Law and Section 3 of Tender Documents.

All filled in forms have to be signed by the authorized person of the Bidder and stamped.

4.25. Protection of Bidder’s rights

Request for the protection of rights may be submitted during the entire public procurement procedure, against any activity, unless otherwise stipulated by the Law.

Request for the protection of rights shall be submitted to the Republic Commission and it is submitted to the Employer, labeled Request for the protection of rights PP No. **61/14/DEFP**“.

Provisions of the manner of submitting the decision from Article 108 paragraph 6 to 9 of the Law shall be applied to submission of the Request for the protection of rights.

The applicant shall simultaneously submit a copy of the request for the protection of rights to Republic Commission for the Protection of Rights in Public Procurement Procedures to the address: 11000 Belgrade, Nemanjina 22-26.

Request for the protection of rights challenging the type of procedure, the contents of the invitation for the submission of Bids or Tender Documents, shall be considered timely if received by Employer at latest seven days before the expiry of the deadline for the submission of Bids, regardless of the manner of delivery.

After adoption of the decision on awarding contract and decision on cancelling the procedure, the deadline for submitting Request for the protection of rights shall be 10 days from the day of the receipt of the decision.

The applicant of the Request for the protection of rights is obliged to pay the tax stipulated by the Law to the account of the budget of the Republic of Serbia (№ 840-742221843-57, payment code 153, model 97, reference number 50-016, remittance purpose: Republic Administrative Fee, PP No. 61/14/DEFP, Beneficiary: the budget of the Republic of Serbia).

Procedure of the protection of the Bidder's rights is regulated by the provisions of Article 156 of the Law.

4.26 Model Agreement

Contract(s) on public procurement shall be concluded with Bidder(s) who was/were awarded the contract(s) in accordance with this Tender Documents. One Contract shall be concluded with the Bidder who is awarded contracts for several portions (identical lots) with the same loan conditions.

The Bidder shall attach to its Bid the Model Agreement, filled in accordance with own Bid from the filled in Form no 1, Loan application from Tender Documents and fully in accordance with Tender Documents, signed and stamped. The Draft of Model Agreement with domestic Bidder is given in the appendix of this Tender Documents.

5. LOAN APPLICATION

The application for loan and documents on the creditworthiness of the company Public Enterprise Electric Power Industry of Serbia, Belgrade make an integral part of the Tender Documents in accordance with Article 61, paragraph 6 of the Law.

This application for loan is prepared in accordance with the Rules on Form and Contents of Application for Loan and Form and Contents of Documents on Creditworthiness of the Employer (the Official Gazette of the Republic of Serbia, No. 31/2013) in the case of public procurement o **long-term loan as a financial service in portions in an open procedure.**

5.1 Basic information on the Employer

The business name of the company is: Public Enterprise Electric Power Industry of Serbia, Belgrade. The abbreviated business name of the company is: PE EPS, Belgrade.

The headquarters of the company is in Belgrade, Carice Milice 2.

The name and address of the legal representative of PE EPS Belgrade is Aleksandar Obradović, Carice Milice 2, Belgrade.

The Articles of Incorporation, Statute, proof of registration of PE EPS Belgrade are attached hereto.

Identification number of PE EPS Belgrade is 20053658.

Tax Identification Number (TIN) of PE EPS Belgrade is 103920327.

PE EPS Belgrade is a Public Enterprise for electricity generation, distribution and trading.

The core business activity of Public Enterprise Electric Power Industry of Serbia, Belgrade is electricity trading, as well as generation of electricity, distribution of electricity, distribution system control, exploitation, processing and transport of coal, production of steam and hot water in combined processes carried out in associated subsidiaries founded by PE EPS for the performance of the above mentioned activities.

The amount of total capital of PE EPS Belgrade and subsidiaries on June 30, 2014 amounts to RSD 796.262.730.000, with the following ownership structure: 100% state capital.

5.2 Legal grounds for taking the loan

Previous notice was published on the Public Procurement Portal under code: 255629 dated 10.02.2014.

The Government of the Republic of Serbia adopted on July 4, 2014 the Decision on Giving Consent to Annual Program on Amendments to Annual Business Plan of Public Enterprise Electric Power Industry of Serbia, Belgrade for 2014 and subsidiaries (Official Gazette of the Republic of Serbia, no. 70/14), which was adopted by the Supervisory Board of Public Enterprise Electric Power Industry of Serbia on 7th extraordinary session dated July 01, 2014:

- Annual Program on Amendments to Annual Business Plan of Public Enterprise Electric Power Industry of Serbia, Belgrade for 2014
- Annual Program on Amendments to Annual Business Plans for subsidiaries for 2014 that were affected by the floods as follows: HPP Đerdap, Drinsko-Limske HPPs, TPP Nikola Tesla, TPP-OCM Kostolac, MB Kolubara, Elektrovojvodina, Elektrodistribucija Beograd, Elektrosrbija, Centar.

Procurement was planned under number 1.2.402. Procurement plan of Public Enterprise Electric Power Industry of Serbia, Belgrade for 2014, PE EPS no. 667/4-14 dated 14.03.2014 with the First Amendment to Procurement plan of Public Enterprise Electric Power Industry of Serbia, Belgrade for 2014, PE EPS no. 667/6-14 dated 13.05.2014 and the Second Amendment to Procurement plan of Public Enterprise Electric Power Industry of Serbia, Belgrade for 2014, PE EPS no. 667/7-14 dated 30.06.2014.

Supervisory Board of Public Enterprise Electric Power Industry of Serbia, Belgrade adopted the Decision on loan no. 2399/7-14 dated 07.10.2014.

5.3. Purpose of the loan

Purpose of the proceeds of the subject loan is the provision of funds necessary for urgent, prompt, planned and organized initiation of elimination of flood consequences, preparation for the forthcoming winter period 2014/15, when the increased consumption is expected and potential increase of electricity purchase, and for ensuring safe and efficient business operation of EPS group, regular electricity supply of industry and citizens in the following period.

5.4. Loan use deadline

Loan shall be fully repaid within the period of 4 (four) years as of the date of disbursement of funds.

5.5 Grace period

Grace period is 1.5 (one and a half) year from the date of disbursement of funds.

Interest is calculated and is due for payment on a monthly basis and during grace period, and in accordance with this loan application.

5.6 Disbursement plan

Proceeds of the loan shall be disbursing in tranches, cumulatively for total concluded amount, in the period from November 2014 until the end of March 2015, in accordance with the application/s of the Employer (with instructions for disbursement of funds (in case of domestic Bidder: "in dinar counter value according to middle exchange rate of NBS on the date of loan disbursement"), no later than 3 days from the date of receipt of application.

Loan disbursement date shall be the date when the first tranche of the loan funds are transferred to the account of the Employer in accordance with the instructions from the application.

If loan funds are not available to the Employer within three business days as of the date of application receipt, Employer is entitled to claim damage due to the non-fulfillment of contractual obligation.

Selected Bidder shall make available loan funds to the Employer immediately without delay, in accordance with the application/s, immediately, no later than 3 days from the date of receipt of application.

Loan disbursement date shall be the date when the Selected Bidder transfers first tranche of the loan funds to the account of the Employer in accordance with the instructions from the application.

If the selected Bidder does not make loan funds available to the Employer within three business days as of the date of application receipt, Employer shall claim damage due to the non-fulfillment of contractual obligation.

5.7 Loan amount

Total amount of the loan, VAT excluded is EUR 200,000,000.00, divided into 40 (forty) portions (identical lots) of EUR 5,000,000.00 each (five million euro) (in case of domestic Bidder: "in dinar counter value according to middle exchange rate of NBS on the date of loan disbursement").

5.8 Loan repayment dynamics

Loan repayment period is 4 (four) years, starting from the date of disbursement of first tranche of the loan, which also includes the grace period (principal on hold during the grace period) of 1.5 (one and a half) year.

Principal is repaid in 30 (thirty) equal monthly installments after the expiry of grace period.

Principal installments are due on the date of interest accrual.

Liability for payment of the due installment of the principle is payable 5 (five) business days after due date, without calculation of default interest. In case of domestic Bidder, due payments shall be made in dinar counter value according to middle exchange rate of NBS on the date of payment.

Business days are determined according to the working hours of the Selected Bidder, about which the Selected Bidder has to timely inform the Employer.

5.9 Security instruments

Beneficiary shall after contract signing submit to the selected Bidder

- in case of a domestic Bidder: 48 (forty-eight) blank promissory notes (in the form of unique form of the promissory note regulated by the Decision of unique form of the promissory note "Official gazette of RS", no. 29/04) and 1 (one) promissory note authorization, for all 48 (forty-eight) promissory notes, that may be collected in the amount not exceeding due unpaid liability in accordance with the concluded contract with the selected Bidder or
- in the case of a foreign Bidder: Promissory Note, in the text annexed to the Tender documentation and that its integral part

The selected Bidder shall return security instruments to the Employer within 3 (three) days from the date of the payment due liability for the security it was issued for.

5.10 Interest rate

Annual interest rate is determined for each interest accrual period, as the sum of 6m EURIBOR *p.a.* and margin contracted with the Bidder.

For the period from the date of disbursement tranche of the loan until the date of first due interest 6m EURIBOR *p.a.* published on the date of disbursement that tranche of the loan at 11:30 a.m. at Middle European Time on reference Reuters page shall be applied.

For each following period 6m EURIBOR *p.a.* published on the date of the beginning of accounting period at 11:30 a.m. at Middle European Time on reference Reuters page shall be applied.

Interest shall be calculated by applying the compound method on the used non-paid amount using the actual number of days and year of 365/366 days.

The interest shall be calculated during the grace period and during repayment period, in accordance with this loan application.

Accounting period is 1 (one) month, calculated interest is due monthly, each month on the day that falls on the *day of disbursement of first tranche of the loan*.

The Employer requests that the selected Bidder submits calculation of the interest no later than 7 (seven) business days prior to liability due date.

Due liability for calculated interest is payable 5 (five) business days after due date, and without default interest. In case of domestic Bidder, due payments shall be made in dinar counter value according to middle exchange rate of NBS on the date of payment

Business days are determined according to the working hours of the selected Bidder, whereas the selected Bidder is obliged to timely inform the Employer.

Bidder may not impose Employer to interest tax costs, if the Bidder is taxpayer accordingly, in accordance with the laws of the country of its registered seat.

5.11 Amount of fees and other costs

The Employer requests from the Bidder to show all costs and fees by filling in the Form number 4 and Form number 1, from this Tender Documents.

If the Bidder in its Bid foresees one-time fee, the amount of rate of one-time fee cannot exceed 0.25% of the offered amount.

The Employer requests from the Bidder to foresee in the filled in Form number 1 from Tender Documents the possibility of prepayment of the principal (in full or in part), *without additional cost (prepayment fee 0%) and possibility of cancellation (in full or in part), without additional cost (cancellation fee 0%)*.

5.12 Other elements of the loan

It is requested that the loan conditions from the Bid of the Bidder (filled in Form number 1 from this Tender Documents):

- a. shall not be amended until the end of repayment period so that they become less favorable for the Employer,
- b. nor shall the Employer be imposed to new costs which are not specified in the Bid of the Bidder and this Tender Documents, whereas

- c. after the conclusion of the contract the material elements of the contract may be amended due to objective reasons which arise from the Energy Law ("Official gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated liability of Public Enterprise Electric Power Industry of Serbia, Belgrade and its subsidiaries to undertake measures and activities which will prevent the occurrence of circumstances or events which may jeopardize safe and regular electricity supply of tariff customers and uninterrupted operation of generation and distribution energy capacities and coal production capacities.

Bidder is obliged to fill in the Model Agreement of the Loan in accordance with its Bid from filled in Form number 1, this Loan application and Tender Documents in full.

Along with the Model Agreement the Bidder shall submit the repayment plan, which is an integral part thereof, made out in accordance and in accordance with its own Bid from filled in Form number 1, this Loan application and Tender Documents in full. The Draft of Model Agreement with domestic Bidder is given in the appendix of this Tender Documents.

NOTE: The Bidder shall have to take into account that in the Model Agreement the party shall be Public Enterprise Electric Power Industry of Serbia, Belgrade, Carice Milice 2, 11000 Beograd (registration number 20053658, TIN: 103920327) whose legal representative is General Manager Aleksandar Obradović.

5.13 Special requirements of the Employer

In its Bid the Bidder cannot request from the Employer to have payment transactions through the account of the Bidder.

Bidder may not impose Employer to interest tax costs, if the Bidder is taxpayer accordingly, in accordance with the laws of the country of its registered seat.

In its Bid the Bidder shall not require the Employer to provide any other instruments of financial security for due and timely settlement of liabilities under the contract, other than those referred to in the application for loan.

The Bid of the Bidder submitted contrary to the provisions of the special requirements of the Employer shall be deemed as unacceptable and shall be rejected.

After the conclusion of the contract the material elements of the contract may be amended due to objective reasons which arise from the Energy Law ("Official gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated liability of Public Enterprise Electric Power Industry of Serbia, Belgrade and its subsidiaries to undertake measures and activities which will prevent the occurrence of circumstances or events which may jeopardize safe and regular electricity supply of tariff customers and uninterrupted operation of generation and distribution energy capacities and coal production capacities.

6. DOCUMENTS ON CREDITWORTHINESS

In accordance with Article 9 of the Rules on Form and Contents of Application for Loan and Form and Contents of Documents on Creditworthiness of the Employer in cases of public procurement of a Long-Term Loan As Financial Service In Portions. The following documents on creditworthiness that are attached to the Tender Documents include:

- 1) name and address, business name;
- 2) name and address of the representative, scope of his authority and specimen signature;
- 3) articles of incorporation, i.e. Statute, registration acts, registration number and tax identification number (TIN);
- 4) information on internal organization and authorization of parts in legal transactions with third persons;
- 5) description of the core activity and perspectives (description of products and services, description of service user and suppliers, description of supply and demand for products, i.e. services, etc.);
- 6) information on the amount of capital and ownership structure;
- 7) summary of assets;
- 8) policy of determination and collection of tariffs in the last two business years (decision on rates, tariff system, etc.);
- 9) financial statements for the last two fiscal years with the opinion of authorized auditor;
- 10) business plan during the repayment period.

FORMS

(The Bid is submitted on the letterhead of the Bidder)

PP No. **61/14/DEFP**

BID No. _____

(state number of the bid)

FOR _____ PORTION (IDENTICAL LOTS)

(write number of portions (identical lots)(min. 1 max. 40), under the same loan conditions from corresponding Form No.4)

(NOTE: sum of offered portions from one Bidder, cumulatively for all its Bids in PP No. **61/14/DEFP**, cannot exceed 40)

(to be filled, verified by an independent Bidder and the group of Bidders with evidence provided)

I. GENERAL INFORMATION ON THE BIDDER

1. Name of the Bidder _____
2. Headquarters of the Bidder _____
3. TIN _____
4. Registration number _____
5. Person authorized for contact and correspondence:
 - a. Forename, surname _____
 - b. Full address _____

II. MANNER OF BID SUBMISSION

This bid is submitted (circle the right answer)

- a) by an independent bidder
- b) as a joint bid (name all the members of the joint bid – name, headquarter, registration number and TIN):
 1. _____
 2. _____
 3. _____
 4. _____

At the same time, the Bidder submits several bids (circle the right answer)

- a) Yes
- b) No

III. BID VALIDITY PERIOD

The validity period of the bid is 60 days from the date of opening of bids.

A filled in, signed by authorized person of the Bidder and stamped Form No. 2 from the Tender Documents, which makes an integral part of this Bid, shall be attached to this Bid.

(In case of a joint bid, please state:

A filled in, signed and stamped Form No. 2.A from the Tender Documents, which makes an integral part of this bid is attached to this Bid for each Bidder, participant in the joint bid)

IV. OTHER RELEVANT INFORMATION FOR THE CONCLUSION OF AGREEMENT

1. Type of the financial service: loan, in portions (identical lots);
2. Currency of the loan: EUR; (NOTE: in case of domestic Bidder currency clause shall apply)
3. Amount of the portion (identical lot) of the loan: EUR 5,000,000.00 (in words: five million and 00/100 EUR);
Number of portions (identical lots): _____
4. Without obligation to make deposit and without own funds of the Employer;
5. Disbursement period: proceeds of the Loan are, without delay disbursed immediately in accordance with the application of the Employer/s (with the instructions for disbursement of the loan (in case of domestic

Bidder: "in dinar counter value under NBS middle exchange rate on the day of loan disbursement") no later than three days from the date of receipt of the application in the period from November 2014 till the end of March 2015. The date of disbursement shall be the date when first tranche of the loan proceeds are transferred to the account of Employer in accordance with the instructions of Employer from the request for disbursement. If the loan is not made available to the Employer within three business days from the date of receipt of the application, the Employer may ask for remuneration for the breach of Agreement.

6. Interest rate: The annual variable nominal interest rate is determined as an aggregate of six month EURIBOR rate on annual basis and margin of _____% (for the period from the date tranche of the loan disbursement until the first due date of interest - six month EURIBOR rate on annual basis that is published on date of tranche of the loan disbursement, and for each following period that is published on the date of beginning of calculation period at 11.30 hrs CET at reference Reuters page and offered margin);
Nominal interest rate, _____.____% (item 3 of the filled-in Form 4 of this Bid) (*used approximation: value of 6 month EURIBOR p.a. 0.308%*);
7. Calculation of interest: Interest is calculated by applying the method of compound interest on withdrawn unpaid amount of loan. Calculation period is 1 (one) month, using the actual number of days and year of 365/366 days. Interest is calculated during grace period and during the period of repayment, in accordance with Application for loan. (*If the Employer is tax payer based on interest, in accordance with laws of the country where Employer is registered it shall not be obliged to pay taxes based on calculated interest if he does not express them in Form 4 of this Bid*)
8. Due date for payment of calculated interest: Calculated interest is due every month, i.e. in each given month on the date of first tranche of the loan disbursement. Due obligation based on calculated interest is payable 5 (five) business days after due date, without calculation of default interest rate. (*in case of domestic Bidder: "in dinar counter value under NBS middle exchange rate on the payment date"*)
9. Total amount of calculated interest for loan in portion (identical lot), until the end of repayment period is: _____ EUR (item 4 of the filled-in Form 4 of this Bid)(*used approximation: value of 6 month EURIBOR p.a. 0.308%*);
10. Principal repayment: period is 4 (four) years and it includes grace period of 1.5 (one and a half) year, the principle shall be repaid in 30 (thirty) equal monthly installments after expiry of grace period becoming due on interest due date. Due obligation based on repayment of the installment of the loan principle is payable 5 (five) business days after due date, without calculation of default interest rate; (*in case of domestic Bidder: "in dinar counter value under NBS middle exchange rate on the payment date"*)
11. Other costs and fees, other than interest, for loan in portions (identical lots), that are included in the calculation of effective interest rate (in item 5 of the filled in Form 4 of this Bid);
12. Sum of costs and fees for loan in portions (identical lot) without interest, that are included in the calculation of effective interest rate is _____ EUR (item 6 of the filled in Form 4 of this Bid);
13. Effective interest rate per annum is _____% (item 7 of the filled in Form 4 of this Bid);
14. Other costs for loan in portions (identical lots), that are not included in the calculation of effective interest rate (item 8 of the filled in Form 4 of this Bid)
15. Sum of other costs for loan in portion (identical lots), that are not included in the calculation of effective interest rate is _____ EUR (item 9 of the filled in Form 4 of this Bid)
16. Total costs of loan in portions (identical lots) are determined as an aggregate amount of interest and other costs that are included in calculation of effective interest rate and other costs that are not included in calculation of effective interest rate: _____ EUR (item 10 of the filled-in Form 4 of this Bid);
17. The price offered for the public procurement of loan in portions (identical lot) is determined as an aggregate of total costs (item 11 of the filled-in Form 4 of this Bid): _____ EUR;

18. Attached to this Bid is the filled in Form 4 for Bid No.____ from Tender Documents, signed and stamped by duly authorized person of the Bidder, which makes an integral part of this Bid;
19. Is anticipated the possibility of prepayment of the loan principal (in full or part of the loan principal) at the request of the Employer without additional costs (prepayment fee 0%) and the possibility of cancellation of the loan principal (in full or part of the loan principal) is envisaged at the request of the Employer without additional costs (cancellation fee 0%);
20. (not to be filled-in)
21. All loan conditions of this Bid are fixed at the date of the Bid;
 - a. and shall not be changed until the end of repayment period in the manner that would make them unfavorable to the Employer
 - b. and the Employer shall not be charged any new costs that have not been specified in this Form, the Form of Price Structure;
 - c. after concluding Loan Agreement the important elements of the contract may be amended due to objective reasons that arise from Energy Law ("Official Gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated obligations of Public Enterprise Electric Power Industry of Serbia Belgrade and its subsidiaries to undertake measures and activities by which the circumstances or events that may jeopardize safe and regular electricity supply of tariff customers and uninterrupted functioning of electricity generation and distribution capacities and coal production capacities shall be prevented
22. The model agreement is filled-in in compliance with this Bid, the Employer's application for loan and other Tender Documents, signed and stamped by duly authorized person of the Bidder, which makes an integral part of this Bid;
23. The Model Agreement contains the clause that reads:

"All loan conditions for this Agreement:

 - a. shall not be changed until the end of repayment period in the manner that would make them unfavorable to the Employer
 - b. the Employer shall not be charged any new costs that have not been specified in this Agreement, in accordance with the Bid and Tender documents
 - c. after concluding Loan Agreement the important elements of the contract may be amended due to objective reasons that arise from Energy Law ("Official Gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated obligations of Public Enterprise Electric Power Industry of Serbia Belgrade and its subsidiaries to undertake measures and activities by which the circumstances or events that may jeopardize safe and regular electricity supply of tariff customers and uninterrupted functioning of electricity generation and distribution capacities and coal production capacities shall be prevented"
24. Loan repayment plan is attached to Model Agreement and is prepared in accordance with given approximations in the Form 4 of this Bid, which is signed and stamped by duly authorized person of the Bidder and which makes its integral part;
25. Attached to this Bid, we are submitting the following financial securities:
 - a. original of the bank bid bond in accordance with the Tender Documents
 - b. original of the bank's letter of intent stating that the bank shall issue a performance bond in accordance with the Tender Documentsas well as
 - a. Form "Statement on Independent Bid" (Form No.3) that is filled-in and signed and stamped by the authorized person of the Bidder
 - b. Form of the statement in accordance Article 75 paragraph 2 of the Law (Form No.5), signed and stamped by the authorized person of the Bidder along with
 - c. Evidence on fulfillment from Article 75 and 76 of the Law in accordance with Article 77 of the Law and Section 3 of the Tender Documents.

Place and date

L.S.

(signed by authorized person of the Bidder)

INFORMATION ON BIDDER
(to be filled in, initialed and stamped by an independent Bidder)

1. Name of the Bidder: _____
2. Address of the Bidder: _____
3. Contact person: _____
4. Telephone number: _____
5. Telephone/facsimile number: _____
6. Bidder's tax number (TIN): _____
7. Registration number: _____
8. Account number: _____
9. Person responsible for the signature of the Agreement: _____

Place and date:

L.S.

Authorized person of the Bidder:

INFORMATION ON BIDDER

participating in a joint bid, if the bid is submitted by a group of Bidders
(to be filled in, initialed and stamped by each Bidder from the group of bidders)

- 1) Name of the Bidder: _____
- 2) Address of the Bidder: _____
- 3) Contact person: _____
- 4) Telephone number: _____
- 5) Telephone/facsimile number: _____
- 6) Bidder's tax number (TIN): _____
- 7) Registration number: _____
- 8) Account number: _____
- 9) Person responsible for the signature of the Agreement: _____

Place and date:

L.S.

Authorized person of the Bidder:

In accordance with the Article 26 of Public Procurement Law "Official Gazette of the RS, no. 124/12) we give the following statement on independent bid in the open procedure PP No. **61/14/DEFP** of the Employer – Public Enterprise Electric Power Industry of Serbia, Belgrade

STATEMENT

as _____
(write: Bidder, Leader of the group - holder of the work in joint bid)

and confirm under full substantive and criminal liability that

(full name and seat)

we submit the Bid No. _____ in open procedure of public procurement No. **61/14/DEFP**, Employer – Public Enterprise Electric Power Industry of Serbia, independently, without agreement with other Bidders or interested parties.

L.S.

(signature of the authorized person of the Bidder)

Place and date

Name of Bidder: _____

PP No. 61/14/DEFP
FORM OF PRICE STRUCTURE FOR BID No. ___ FOR PORTION (IDENTICAL LOT)
WITH INSTRUCTIONS ON HOW TO FILL IT IN

(*Given approximation which shall be used in order to receive comparable prices for public procurement of loan in portions (identical lots): value of 6 month EURIBOR rate p.a. 0.308%; one tranche, proceeds tranche of the Loan are disbursed on 01.12.2014. due dates are given in TABLE no.1 that is attached to this form and makes its integral part)

- 1. Currency: EUR
- 2. Amount of loan portion (identical lot): EUR 5,000,000.00

The term of the loan is 4 (four) years and it includes grace period of 1.5 (one and a half) year, the principle shall be repaid in 30 (thirty) equal monthly installments, after expiry of grace period of 1.5 (one and a half) year.

- 3. Annual nominal interest rate (0.308%; + margin of _____%) is _____, ___%
- 4. The amount of total interest calculated cumulatively: EUR _____

until the end of the repayment period, by applying the method of compound interest, monthly calculation period, by using the actual number of 365/366 days of the year, with a monthly maturity, in each given month on the date of disbursement of proceeds first tranche of the loan in portion (identical lot) and during grace period until the end of the repayment period of the loan:

- 5. Other costs and fees which are included, without interest, in the calculation of effective interest rate**

Description	Percentage (%)	Basis (EUR)	Amount of costs (EUR)

- 6. The total amount of costs and fees which are included, without interest, into the calculation of effective interest rate:

EUR _____

- 7. Effective interest*** rate per annum _____%
- 8. Other costs which are not included in the calculation of effective interest rate:* *

Description	Percentage (%)	Basis (EUR)	Amount of costs (EUR)

- 9. Sum of other costs which are not included in the calculation of effective interest rate:

EUR _____

- 10. Total costs of loan in portion (identical lot) (4+6+9):

EUR _____

- 11. **Price of the public procurement of loan in portion (identical lot) (10):**

_____ EUR

L.S.

(signed by duly authorized representative of the Bidder)

Place and date _____

* Given approximations are introduced in order to compare Bidder's bids in the procedure of evaluation and ranking of bids for the loan in portions (identical lots) in order to select the most favorable bid

** Please state description of costs. If the data is shown only in absolute amounts, leave dots for the percentage and basis. Show calculated costs until the end of the repayment period of the loan.

*** The effective interest rate to be shown according to the valid methodology of NBS, per annum.

Name of Bidder: _____

PP No. 61/14/DEFP

Due dates of payment of the loan

Approximations given for the calculation of the costs of the loan in portion (identical lot)
from Form no.4 for BID No. ____ for portion (identical lot)

Portion:

- one tranche
- Disbursement of the proceeds of the loan: on 01.12.2014.
- Calculated interest and principal installments are due for payment on given dates
- Payment of the interest calculated shall start on 01.01.2015.
- Repayment of the principal of loan shall start on 01.07.2016. (in 30 equal installments)

Due date of interest payment	Due date of principal repayment
1.1.2015	
1.2.2015	
1.3.2015	
1.4.2015	
1.5.2015	
1.6.2015	
1.7.2015	
1.8.2015	
1.9.2015	
1.10.2015	
1.11.2015	
1.12.2015	
1.1.2016	
1.2.2016	
1.3.2016	
1.4.2016	
1.5.2016	
1.6.2016	
1.7.2016	1.7.2016
1.8.2016	1.8.2016
1.9.2016	1.9.2016
1.10.2016	1.10.2016
1.11.2016	1.11.2016
1.12.2016	1.12.2016
1.1.2017	1.1.2017
1.2.2017	1.2.2017
1.3.2017	1.3.2017
1.4.2017	1.4.2017
1.5.2017	1.5.2017
1.6.2017	1.6.2017
1.7.2017	1.7.2017
1.8.2017	1.8.2017
1.9.2017	1.9.2017
1.10.2017	1.10.2017
1.11.2017	1.11.2017
1.12.2017	1.12.2017
1.1.2018	1.1.2018

1.2.2018	1.2.2018
1.3.2018	1.3.2018
1.4.2018	1.4.2018
1.5.2018	1.5.2018
1.6.2018	1.6.2018
1.7.2018	1.7.2018
1.8.2018	1.8.2018
1.9.2018	1.9.2018
1.10.2018	1.10.2018
1.11.2018	1.11.2018
1.12.2018	1.12.2018

In accordance with Article 75 paragraph 2 of Public Procurement Law ("Official Gazette of RS" no. 124/12) we give the following

STATEMENT

as a _____
(to write: Bidder, i.e. Leader or member of the group of Bidders)

WE STATE

under full substantive and criminal liability that

(full name and seat)

shall follow all obligations arising from valid regulations about safety at work, employment and work conditions, environmental protection and it guarantees that it is a holder of intellectual property.

L.S.

Place and date

(signature of the authorized person of the Bidder)

In accordance with Article 88 of Public Procurement Law ("Official Gazette of RS" no. 124/12) we give the following

BID PREPARATION COSTS FORM

Cost name and description	Amount
TOTAL	

L.S.

Place and date

(signature of the authorized person of the Bidder)

Note: Bidder may submit within the Bid total amount and costs structure for Bid preparation in accordance with the given form and Article 88 of the Law.

PERFORMANCE BOND no. _____

Belgrade, _____.2014

Beneficiary: PUBLIC ENTERPRISE ELECTRIC POWER INDUSTRY OF SERBIA BELGRADE11000 Belgrade, Carice Milice 2

Principal: _____ (fill in the name of the Bidder)

Whereas _____ (fill in the name of the Bidder) _____ (hereinafter referred to as: Principal) and PUBLIC ENTERPRISE ELECTRIC POWER INDUSTRY OF SERBIA BELGRADE11000 Belgrade, Carice Milice 2 (hereinafter referred to as: Beneficiary) concluded long-term Loan Agreement no. _____ dated _____.2014 (hereinafter referred to as: Agreement), in the amount of EUR _____.

According to the concluded Agreement, and in accordance with letter of intent submitted by Principal along with its Bid, and in accordance with Tender Documents PP No. **61/14/DEFP** requirements Principal shall submit to Beneficiary performance bond in the amount of 5% of the value of the Agreement.

At the request of Principal, we _____ (fill in the name of the Bank guarantor), issue this irrevocable, unconditional, payable on first demand, without the right of objection, bond, with which we guarantee that we shall pay to you up to the maximum amount of:

EUR _____
(in words: _____)

on receipt of your first demand in writing and your declaration in writing stating that:

- i. That the Bidder, Principal, _____ (fill in the name of the Principal) breached its obligation(s) from the concluded Agreement,
- ii. In which way the Bidder, Principal for issuing of the bond, _____ (fill in the name of the Principal) breached the Agreement.

Above stated Invitation and declaration must be stamped with your stamp and signed by authorized person(s) of your company.

The validity period of this bond is 10 (ten) days longer from the date of the expiry of loan disbursement period, so this bond is valid until _____.20__, including the same, and all your requests for payment upon this Bond must be received including that date.

This bond is governed by the provisions of the Uniform Rules for Demand Guarantees, revision 2010 (URDG 758) of the International Chamber of Commerce in Paris.

(fill in the name of the Bank)

(Bank's responsible person)

(Bank's responsible person)

NOTE: If the Bidder submits a Bank Guarantee from a foreign bank, that bank must have at least the credit rating corresponding to the quality level of credit rating 3 (investments rank)

Public Enterprise 'ELECTRIC POWER INDUSTRY OF SERBIA'

No. ____/____-__

Belgrade, _____.20__.

Wording of the promissory note

PROMISSORY NOTE

The present promissory note is provided as a security for payment of contracted as per the Article ____ of the Loan Agreement no. ____/____-__ dated _____.20__. in the currency, in the way, within the time limits and under the terms and conditions determined in the Article _____ of the aforesaid Loan Agreement,

concluded between:

1. _____,
(enter the name and address of registration).
2. Public Enterprise Electric Power Industry of Serbia, Carice Milice 2, 11000
Beograd, Republic of Serbia.

Public Enterprise "Electric Power Industry of Serbia", Carice Milice 2, 11 000 Belgrade, the Republic of Serbia (hereinafter referred to as: the Maker) guarantees to pay, on demand of _____, _____, _____ (hereinafter referred to as: the Beneficiary), to the order of the Beneficiary, unpaid due amount of the principal, interest and other costs, according to the Loan Agreement No. ____/____-__ dated _____.20__.

The said amounts shall be payable in full within ____ days of the deadline for payment according to the Loan Agreement No. ____/____-__ dated _____.20__.

The present promissory note is signed in Belgrade, the Republic of Serbia.

The present promissory note shall be valid from the day of its issuing to the day of fulfilment of the payment obligation of the Maker, in accordance with the Loan Agreement no. ____/____-__ dated _____.20__, and by _____ at the latest.

With expiration of the deadline specified in the previous paragraph hereinabove, the present promissory note expires and is deemed invalid, and the Beneficiary undertakes the obligation to return immediately the said promissory note to the Maker.

In case of status changes underwent by the Maker and/or Beneficiary, the rights and the obligations as per the present promissory note shall be transferred to their legal successors.

The present promissory note is issued in 2 (two) identical copies in Serbian and 2 (two) identical copies in English, 1 (one) copy in Serbian and 1 (one) copy in English for both the Maker and the Beneficiary.

Belgrade, _____

Maker
Public Enterprise "Electric Power Industry of Serbia"

Public Enterprise 'ELECTRIC POWER INDUSTRY OF SERBIA'

No. ____/____-__

Belgrade, __.__.20__. yaer

Pursuant to Article 11. and 47. of the Articles of Association of the Public Enterprise 'Electric Power Industry of Serbia' from January 30, 2014, I hereby issue the following

POWER OF ATTORNEY No. ____/____-__

I hereby authorise:

- 1) _____, _____ (enter the name and surname and function) and
- 2) _____, _____ (enter the name and surname and function)

To sign in the name of securing receivables from _____ (enter the name of the creditor), under the Loan Agreement, filed at PE 'Electric Power Industry of Serbia' under the number ____/____-__ from __.__.20__. and concluded between Public Enterprise 'Electric Power Industry of Serbia', Belgrade and _____ (enter the name of the creditor), 1 (one) 'Promissory Note' No. ____/____-__ in two identical copies in Serbian and English and seal it with the seal of PE 'Electric Power Industry of Serbia'.

This Power of Attorney may not be transferred by authorised persons to some other legal person or natural persons.

General Manager
Aleksandar Obradović

DRAFT MODEL AGREEMENT
(Domestic Bidder)

*(Domestic Bidder fills in this Model Agreement with elements from his Bid
in accordance with Tender documents PP No. 61/14/DEFP
signs, stamps and submits it attached to its Bid)*

**LONG-TERM LOAN AGREEMENT
NUMBER: _____**

Concluded in Belgrade, on _____, between the following Parties:

1. ELECTRIC POWER INDUSTRY OF SERBIA BELGRADE, Carice Milice 2, 11000 Beograd, TIN 103920327, personal number _____ 20053658, represented by the General Manager Aleksandar Obradović (hereinafter referred to as: Beneficiary), and
2. _____ Bank, address _____ TIN _____ personal number _____, which is represented by _____ (hereinafter referred to as: the Bank),

Jointly, in this Agreement, hereinafter referred to as: the **Parties**.

INTRODUCTORY PROVISIONS

Parties agree as follows:

- That the Supervisory Board of the Beneficiary adopted the Decision number 2399/7-14 dated 07.10.2014 by which the Beneficiary is allowed to take the loan;
- That the Bank submitted the bid No. _____ PP No. **61/14/DEFP** for ____ (____) portions (individual lots) in the amount of EUR 5,000,000.00 (five million and 00/100 EUR) each, under the same loan conditions, i.e. EUR _____ (in words: _____ and 00/100 EUR) in total, archived with Beneficiary under the number _____ dated _____ 2014 (hereinafter referred to as: Bid); that fully complies with Application for loan from Tender documents and Tender documents PP No. **61/14/DEFP**, which is given in the Annex hereof and is its integral part
- That in accordance with the Article 108 of the Public Procurement Law, based on the Decision on Contract Award _____ dated _____, the Bid of the Bank for ____ (____) portions (identical lots) in the amount of EUR 5,000,000.00 (five million and 00/100 EUR) each, under the same loan conditions, i.e. EUR _____ (in words: _____ and 00/100 EUR) in total (hereinafter referred to as: the Decision on Contract Award) was selected.
- That the Bank adopted the Decision of the Competent Body of the Bank No....dated ____ 2014 (hereinafter referred to as: the Decision of the Competent Body of the Bank).

**ARTICLE 1
SUBJECT OF THE AGREEMENT**

Pursuant to the Decision on Contract Award of the Beneficiary and the Decision of the Competent Body of the Bank, Bank approves Beneficiary long term loan in total the amount of EUR _____ (in words: _____ and 00/100 EUR), consisting of ____ (____) portions (identical lots) in the amount of EUR 5,000,000.00 (five million and 00/100 EUR) under the same loan conditions,
(in case of domestic Bidder: "in dinar counter value according to middle exchange rate of NBS on the date of loan disbursement").

ARTICLE 2

Loan under the Article 1 hereof shall be approved for the purpose of securing funds necessary for urgent, prompt, planned and organized initiation of elimination of flood consequences, preparation for the forthcoming winter period 2014/15, when the increased consumption is expected and potential increase of electricity purchase, and

for ensuring safe and efficient business operation of EPS group, regular electricity supply of industry and citizens in the following period.

ARTICLE 3 LOAN REPAYMENT PERIOD

Loan repayment period is 4 (four) years, with 1.5 (one and a half) year grace period, from the date of disbursement of proceeds.

Beneficiary shall repay the Loan under Article 1 in 30 (thirty) equal monthly instalments, after expiry of 1.5 (one and a half) year grace period, that become due on interest due dates.

Due liability for instalment of the principle of the given portion of the loan is payable 5 (five) business days after due date, without calculation of default interest. (In case of domestic Bidder it should be written in the text: "payment of due amounts in dinar counter value under NBS middle exchange rate on the day of loan disbursement").

Annual Loan Repayment plan, prepared in accordance with the conditions from the Article hereof, makes the integral part of this Agreement (hereinafter referred to as: the Repayment plan).

ARTICLE 4 LOAN DISBURSMENT

Period for Loan Disbursement from November 2014 till the end of March 2015.

Funds of the loan shall use in tranches, cumulativly for total loan amount from Article 1 of this Agreement.

For each tranche of the loan, referred to in Article 1 hereof, Beneficiary shall submit to the Bank signed and certified Request for disbursement of funds tranche of the loan with instructions for disbursement (hereinafter referred to as: the Request).

The Bank shall put the tranche funds of the loan proceeds at the Beneficiary's disposal all at once in accordance with the Request, no later than 3 days from the date of the receipt of the Request.

The date of disbursement of tranche of the loan shall be the date when the Bank, transferred this tranche to the account of Beneficiary in accordance with the instructions of Beneficiary from the Request for disbursement for this tranche.

If the Bank does not make the tranche of the loan available within three days from the date of receipt of the Request, Beneficiary may ask for remuneration for the breach of Agreement.

ARTICLE 5

All loan terms and conditions of this Agreement

- a. shall not be changed until the end of repayment period in the manner that would make them unfavourable to the Employer
- b. the Employer shall not be charged any new costs that have not been specified in this Agreement, in accordance with the Bid and Tender documents

After concluding Loan Agreement the important elements of the contract may be amended due to objective reasons that arise from Energy Law ("Official Gazette of RS", no. 57/11, 80/11, 93/12 and 124/12) stipulated obligations of Public Enterprise Electric Power Industry of Serbia Belgrade and its subsidiaries to undertake measures and activities by which the circumstances or events that may jeopardize safe and regular electricity supply of tariff customers and uninterrupted functioning of electricity generation and distribution capacities and coal production capacities shall be prevented

ARTICLE 6 INTEREST

Nominal interest rate is variable annual interest rate and it is determined, for each accounting period of interest, as an aggregate of six month EURIBOR rate on yearly basis and margin ____% (*insert the value of margin from the Bid.*)

Interest for the period from the date of tranche of the loan disbursement until the first due date for calculation of interest is calculated by applying six month EURIBOR rate on annual basis that is published on disbursement date at 11.30 hrs CET at www.thomsonreuters.com and offered margin from paragraph 1 hereof. Interest rate for each following monthly period is calculated by applying six month EURIBOR rate on annual basis that is published on disbursement date at 11.30 hrs CET at www.thomsonreuters.com and offered margin from paragraph 1 hereof.

Interest is calculated by applying the conform method on annual level, using the actual number of days and year of 365/366 days and accounting period is 1 (one) month.

Interest is calculated during the grace period and the repayment period as well.

It becomes due for payment on monthly basis on the last day of calculation period, i.e. in each given month on the date of disbursement of proceeds of tranche of the loan.

Bank shall submit to the Beneficiary monthly calculated interests no later than 7 (seven) business days before due obligation date.

Due obligation based on calculated interest is payable 5 (five) business days after due date, without calculation of default interest. (*in case of domestic Bidder: "in dinar counter value under NBS middle exchange rate on the day of loan disbursement"*).

The Bank shall timely inform the Beneficiary about its business days that are determined according to working hours of the Bank.

If payment due date, according to this Agreement, is the day when Bank are closed (Saturday, Sunday, Bank Holiday or religious holidays), the payment obligation is due on the next day when Bank is open.

(If the Employer is tax payer based on interest, in accordance with laws of the country where Employer is registered it shall not be obliged to pay taxes based on calculated interest)

Beneficiary shall submit to the Bank, within the period of 3 (three) days from the signing of this Agreement, an e-mail address to which the Bank shall submit monthly calculated rates to the Beneficiary.

ARTICLE 7 LOAN PREPAYMENT AND CANCELLATION

Beneficiary can perform total or partial prepayment even before defined deadline ("**Prepayment**"), without additional cost (*fee for prepayment of the loan 0%*) based on the signed and certified request of the Beneficiary in written form on the letterhead, that Beneficiary is obliged to submit to the Bank no later than 5 (five) business days prior to intended prepayment.

Beneficiary can perform total or partial cancellation ("Cancellation"), without additional cost without fee (fee for cancellation of the loan 0%) based on the signed and certified request of the Beneficiary in written form on the letterhead, that Beneficiary is obliged to submit to the Bank no later than 5 (five) business days prior to intended cancellation.

In the event of partial prepayment, Bank shall deliver immediately to the Beneficiary new Repayment Plan; and in the event of total Prepayment, Bank shall, at the request of the Beneficiary, issue the certificate to the Beneficiary that the loan is repaid in total.

**ARTICLE 8
COSTS**

Before Request for disbursement the Beneficiary shall pay, lump sum fee in the percentage of _____% (*enter percentage from the Bid*) of the amount of the loan from Article 1 hereof in accordance with the instructions for the payment previously received from the Bank.

**ARTICLE 9
DELAY AND DEFAULT INTEREST**

On the untimely repaid amount of the loan under this Agreement, the default interest is paid by the rate stipulated by the Law on the amount of default interest rate.

Calculated but untimely paid agreed interest under this loan is included in the basis for calculation and collection of interest from paragraph 1 hereof, in addition to the outstanding principle.

If the rate of the agreed interest is higher than the rate of default interest from paragraph 1 hereof, calculation of the interest shall be continued according to the agreed interest rate.

**ARTICLE 10
SECURITY INSTRUMENTS**

Bank shall submit to the Beneficiary on the date of signing the Agreement the irrevocable, unconditional, payable on first demand, without the right of objection, Performance bond, as a financial security , issued for Beneficiary, in the amount of 5% of offered price referred to in Article 1 hereof, with validity period of 10 (thirty) days longer than the date of expiration of deadline of the Bid (if there is a group of Bidders : in accordance with the Consortium Agreement), and in all in accordance with the form and the content of the Bond Draft attached in Tender Documents. At the same time Beneficiary shall return to the Bank original Bid Bond and original Letter of Intent that the Bank has submitted attached to its Bid.

Performance Bond shall be returned to the Bank, within 3 (three) days after putting full amount of the loan at the Beneficiary disposal.

On the date of signing this Agreement and no later than prior to the use of proceeds under this Agreement, Beneficiary shall submit, to the Bank, to ensure timely payment under this Agreement, 48 (in words: forty eight) signed and certified blank promissory notes, with precisely filled application for their registration with NBS and one (in words: one) promissory note authorization certified for all promissory notes in favor of the Bank, which can be collected to the amounts due to amounts of due unpaid obligations and all in accordance with the repayment plan.

Upon settlement of monthly obligations of the Beneficiary and in accordance with this Agreement and Repayment Plan, the Parties agreed that the Bank shall repay monthly and that the Beneficiary shall take over one promissory note within 3 (three) days from the day of payment of due obligation under this Agreement; the promissory note and promissory note authorization are issued for the purpose of securing the Agreement.

Beneficiary explicitly and unconditionally authorizes the Bank that it can fill in the security instruments to ensure timely payment of obligations from the paragraph 3 hereof at the amount of the due and unpaid receivables which can occur under this Loan Agreement under book status of the Bank and to send them for payment.

Bank is required to submit, upon the prior paragraph 1 hereof, a written warning with calculations of outstanding obligations.

If there is realization of the instruments for the collection of receivables, and the receivable of the Bank are not paid in full, the Beneficiary is obliged to immediately submit , at the latest within 8 days from the date of sending of the request by the Bank, new instruments for the collection of receivables, signed and certified by the legal representative of the Beneficiary and from him, under special power of attorney, authorized person and if they are not submitted, all obligations of the Beneficiary under this Contract Agreement shall be deemed as due.

ARTICLE 11 OBLIGATIONS OF THE BENEFICIARY

The Beneficiary shall:

1. at the request of the Bank submit its financial statements which are made in the manner and within the deadlines stipulated by the positive regulations, and if needed other documentation within deadlines stipulated by positive regulations (e.g. audit reports)
2. enable to the Bank, i.e. audit agency, control of the economic-financial operations, control of business books, records and other documents;
3. inform the Bank in written form, about the case of freezing the assets on their accounts with any bank, in the period that is longer than 15 calendar days;
4. necessarily and without delay inform the Bank, in written form, about any circumstance that could prevent fulfillment of the obligations of the Beneficiary hereof;
5. to timely inform Bank/ Consortium on status change (merger and division), change of form or incorporation of other business entity from its property;
6. to guarantee the Bank/ Consortium equal treatment – ranking of its claims under this Agreement with its other obligations towards other creditors, and therefore the execution of obligations under this Agreement shall be equally ranked compared to all other obligations of the Beneficiary

ARTICLE 12 EVIDENCE OF DEBT AMOUNT

Business books and other documentation that Bank/ Consortium members have shall serve as the evidence of debt amount and amount of calculated interest under this loan, which shall be defined by Open Item Statement at the end of business year which the Bank/members of Consortium shall submit to Beneficiary, with which Beneficiary agreed.

ARTICLE 13 DATA USE

Beneficiary explicitly agrees that Bank can provide National Bank of Serbia with the data on claim under this Agreement, in order to include them in the loan information system of NBS – in accordance with the Decision on More Detailed Conditions and the Manner of Keeping Data Register on Good Standing of Legal Entities and Entrepreneurs and Giving Data and Opinions on Good Standing and Instruction of NBS on the Data Which Banks and Other Financial Organizations Submit to NBS in order to include those data in loan information system of NBS.

Beneficiary explicitly agrees in accordance with Article 47 paragraph 3 of Law on Banks, that Bank/ Consortium can forward data from this Agreement, data on Beneficiary and its affiliated persons, documentation that constitutes loan file with this Agreement, as well as other data considered to be bank secrecy, and data on obligations under this Agreement and manner of their payment and following contractual provisions to Central Data Basis of holding companies, members of its bodies, its stakeholders, employees in the Bank/ Consortium members, external auditor of the Bank/ Consortium members, Credit Bureau of Association of Serbian Banks, other persons that due to the nature of the jobs they perform must have access to such data, as well as to third persons with which the Bank /any Consortium member has concluded Agreement which regulates dealing with confidential data.

Beneficiary explicitly agrees that Bank/ Consortium has the right to use data on Beneficiary related to address, telephone numbers, fax and telefax , e-mail addresses and other data for contact, which Beneficiary

presented to the Bank/ Consortium upon the occasion of signing this Agreement, that can be used for submission of notices to Beneficiary about its activities, products and services, in the form of leaflets, hand bill, e-mails, as well as all other means of business communication and business presentation.

**ARTICLE 14
ENVIRONMENTAL AND OTHER PROTECTION**

Beneficiary confirms that its business operation is in accordance with relevant environmental laws, relevant environmental, health and safety guidelines, applicable in the Republic of Serbia.

**ARTICLE 15
ENFORCEMENT OF LEGISLATIVE PROVISIONS**

For everything not envisaged by this Agreement, the provisions of Law on Banks, Law on Contracts and Torts, other positive provisions regulating loan approval in the Republic of Serbia shall be applied.

**ARTICLE 16
DISPUTE RESOLUTION COMPETENCE**

Parties agree that potential disputes, arising from and related to this Agreement shall be settled amicably, otherwise, disputes shall be settled by the competent court in Belgrade.

**ARTICLE 17
SPECIAL RIGHTS OF BANK / CONSORTIUM MEMBERS**

Mistake or lateness of the Bank / Consortium members in the use of any right under this Agreement or any other act regulating the security instruments envisaged with this Agreement, shall not be interpreted as Bank's / Consortium members' waiver of that right.

If any of the provisions of this Agreement or other act becomes illegal, invalid or not applicable, lawfulness, legal validity and enforcement of other provisions shall not be questioned.

**ARTICLE 18
AGREEMENT EFFECTIVENESS AND AGREEMENT AMENDMENTS**

This agreement becomes effective on the date of signing by authorized representatives of the Parties.

ARTICLE 19

All amendments to this Agreement must be made exclusively in written form and signed by authorized representatives of Parties.

**ARTICLE 20
NUMBER OF COPIES**

This Agreement is made in 4 (four) identical copies, out of which 2 (two) for each Party (more copies if Consortium).

FOR BENEFICIARY

FOR BANK

ATTACHMENT
AS IN TEXT