Družba za upravljanje terjatev bank, d.d., Davčna ulica 1, Ljubljana, hereby issues the following

INVITATION TO TENDER FOR THE PURCHASE OF CLAIMS
AGAINST PROJEKTNA DRUŽBA 1S d.o.o. - v stečaju

Bank Assets Management Company ("Seller"), in its own name and for its own account, hereby publishes this invitation to tender for the purchase of claims against the PROJEKTNA DRUŽBA 1S trgovina in storitve d.o.o. - v stečaju, Vikrče 31D, 1211 Ljubljana – Šmartno, company registration number 2161095000 ("Company").

1. Facts and circumstances surrounding the selling of claims

The Seller intends to sell off its entire portfolio of claims, including accrued interest and accessory rights under Loan Agreement no. 063936/2 and Agreement on transaction account dated 31.03.2011, which as of 31 October 2015 amount to 3,800,188.11 EUR, inclusive of interest and relevant procedural fees ("Claim"). In the event that the contract should be signed, the amount of this Claim shall increase by the relevant amount of charges and interest accrued until the relevant payment date. The aforementioned claims are being sold as an indivisible unit. The buyer has to engage into a full contractual arrangement (whereby the Claim and pertaining collateral are interconnected) towards the debtor and third parties, upon the purchase of the Claim. The contractual arrangement is related in terms of the claims and corresponding collateral. On 15 May 2014, bankruptcy proceedings were started over PROJEKTNA DRUŽBA 1S trgovina in storitve d.o.o. - v stečaju before the Ljubljana District Court in case no. St 1799/2014 in which the Claim and the right to separate settlement (mortgage ID no 13143423) was fully recognized.

2. Tendering procedure

The sale process shall be coordinated by the Seller. The process of selling Claim shall be open to domestic and foreign natural persons and legal entities that have submitted their bids for the purchase of the Claim in accordance with the conditions outlined herein.

2.1 Deadline for potential buyers to submit indicative offers and the addressee

Seller expects bidders to submit their indicative offers by certified post, enclosed in a sealed envelope or parcel and sent to the following address: DUTB, d.d., Davčna ulica 1, 1000 Ljubljana marked:

"DO NOT OPEN - OFFER FOR PURCHASE OF CLAIM - PROJEKTNA DRUŽBA 1S"

The reverse side of the envelope must state the bidder’s name and address. The deadline for submission of indicative offers shall be 11 December 2015, received at or before 11.59 pm CET.

2.2. Contents of the indicative offer

For the purposes of the bidding procedure, the Seller shall consider indicative offers which have been signed by the bidder or bidder’s legal representative and contain the following elements:
A. Bidder information:
   i. Bidder’s name and tax number;
   ii. Bidder’s authorized person’s contact information;
   iii. Bidder presentation (short description of the bidder’s business activities, including volume of business, experience in real estate development projects, identity of the bidder’s final owner, basic financial data – balance sheet and income statement for the past three years, or the entity’s entire period of operation);
   iv. Description of the purpose of the purchase of the Claim;
   v. Statement that the bidder is acting in their own name and on their own behalf;
   vi. Statement concerning associations between the bidder and Company, wherein the bidder indicates whether or not it has any equity or administration or any other interest vested in the Company, in terms of rules governing companies, or if the bidder has any associations with the owners or members of executive or supervisory bodies in Company, or with any companies with equity or other associations with the Company or the owners owners or members of executive or supervisory bodies in such companies, or if such association had ever existed in the past (“Declaration of Non-association”);
   vii. A description of the circumstances regarding the financing of the purchase of the Claim, along with the proof or reliable explanation that the potential buyer has or will have at their disposal adequate funding at least in the amount offered by the buyer in their non-binding bid (for example: a statement from the bank confirming a deposit has been made by the bidder, a statement from the bank confirming the purpose of financing, etc.), whereby the buyer should explicitly determine the actual source of funding for the purchase of the Claim;
   viii. Statement about outstanding debts (existing or potential) the bidder has in relation to DUTB, d.d., wherein the bidder should describe whether it has any existing or potential debt to DUTB, d.d.;
   ix. Statement confirming that the bidder holds all internal and other permissions required to submit an indicative offer, wherein the bidder must also indicate any permissions it may need for the purchase of the Claim;
   x. The bid price for the purchase of the Claim; the bidder must offer a single price for the purchase of the Claim.

B. The bidder may express their expectations regarding subsequent steps in the process of selling the Claim (e.g. about the contents of the documentation the bidder would like to review in the due diligence process). The bidder may also present other proposals regarding the Claim sale procedure.

3. Opening of the indicative offers

The opening of the indicative offers shall not be public. As a rule, Seller is expected to make a decision about the adequacy of indicative offers received no later than 16 December 2015 and notify the bidders about its decision, wherein the Seller is not obliged to give reasons for the decision. Bidders whose indicative offers are deemed suitable shall be invited to take part in subsequent stages of the
Claim sale procedure. Selected bidders shall be informed about the subsequent stages of the Claim sale procedure.

4. Due diligence

Bidders invited to participate at subsequent stages of the process of selling the Claim will have the option of carrying out the necessary due diligence on the underlying documents relevant to the Claim which are subject to the transaction. The due diligence review process can be performed during the period between 16 December 2015 and including 30 December 2015 till 14:00. The due diligence procedures can be done through electronic means, on a 24-hour basis. The Seller shall accept requests for information and reviewing documents in the due diligence process until 14:00 on 26 December 2015. Bidders wanting to conduct due diligence will be required to sign a Non-Disclosure Agreement with a notarized signature of the bidder, and the relevant Data Room Rules.

The Seller reserves the right to deny any individual bidder access to the documentation, without providing a reason, or to withhold, or prevent access to, specific information.

As a rule, bidders will be allowed to review the draft agreement on the sale and purchase of the Claim no less than 8 days prior to the deadline for due diligence, and submit any comments, as appropriate. The agreement on the sale and purchase of the Claim shall be made in the form of a directly executable notarial deed or in another form, insofar as it is stipulated by law or expressly requested by the Seller at its own discretion.

5. Binding offers collection procedure

It is anticipated that Seller will continue the process of selling the Claim with bidders who have submitted to Seller a binding offer by 15 January 2016, received at or before 11:59 pm CET, containing the following:

A. Bidder information:
   i. Bidder’s name and tax number;
   ii. Bidder’s authorized person’s contact information;
   iii. Bidder presentation (short description of the bidder’s business activities, including volume of business, experience in real estate development projects, identity of the bidder’s ultimate owner, basic financial data – balance sheet and income statement for the past three years, or the entity’s entire active period);
   iv. Description of the purpose of the purchase of the Claim;
   v. Statement that the bidder is acting in their own name and on their own behalf;
   vi. Statement testifying to the fact that the Bidder has all internal and other authorizations required to submit a binding offer, as well as all the circumstances relevant to the acquisition of consents from the competent authorities required to purchase the Claim;
   vii. Statement concerning associations between the bidder and Company, wherein the bidder indicates whether or not it has any equity or administration or any other interest vested in the Company, in terms of rules governing companies, or if the bidder has any associations with the owners or members of executive or supervisory bodies
in Company, or with any companies with equity or other associations with the Company or the owners or members of executive or supervisory bodies in such companies, or if such association had ever existed in the past;

B. Final price for the purchase of the Claim and financing method

The Final price for the purchase of the Claim must be clearly specified (and denominated in EUR).

The Seller reserves the right to set the opening bid in the course of the proceedings. In such cases, the final price may not be lower than the opening price.

The bidder must describe in detail the planned method of financing the purchase of the Claim, as well as payment dynamics. If funds for the purchase of the Claim are to be obtained from third parties: (i) the method of financing will need to be described in detail; and (ii) a binding and irrevocable statement will need to be submitted, confirming that the bidder has the funds at its disposal to allow the purchase the Claim via a third party, which will provide the funds on behalf of the bidder. The offer must remain binding for a period of no less than 30 days.

C. Agreement

The bidder must enclose the final text of the agreement on the purchase of the Claim, where each page must be initialed by the bidder.

Seller expects bidders to submit their binding offers by certified post, enclosed in a sealed envelope or parcel and sent to the following address: DUTB, d.d., Davčna ulica 1, 1000 Ljubljana, marked:

“DO NOT OPEN - OFFER FOR THE PURCHASE OF CLAIM – PROJEKTNA DRUŽBA 1S”

The reverse side of the envelope must state the bidder’s name and address.

6. Opening of the binding offers

The opening of the binding offers shall not be public. The Seller may, but shall not be obligated to, make a decision on the most beneficial offer within 8 business days from the date when the deadline for submission of offers expires, and inform the bidders of its decision, however they shall not be required to provide an explanation of the decision.

The Seller reserves the right to choose no bidder, or reject all submitted offers, and shall not be obligated to sign any agreement or contract with any of the bidders with regard to their participation in the procedure involving the sale of claims.

7. Signing the Agreement

Seller shall, as a rule, select the bidder having submitted the most beneficial of suitable offers (the winning bidder) and within next 15 days sign an agreement on the sale and purchase of the Claim in the form of a directly executable notarial deed. The decision on the selection of the winning offer will
be based on the following criteria: ultimate price, financing method and any potential requirements concerning the contents of the agreement on the sale and purchase of the Claim. In the event that multiple bidders should offer the same price, individual negotiations shall be conducted with such bidders, with the same offer selection criteria used for all such bidders. The Seller reserves the right not to select the most price efficient offer and also may reject all inadequate submitted offers.

The agreement will also recognize the statutory provisions relevant to any consents provided by the competent authorities, which are required in order for the contract to be valid.

If the bidder selected by Seller should fail to sign the contract, the Seller shall have the right (but not the obligation) to sign the Agreement with a different bidder who has submitted the second- or next-best binding offer, without having to repeat the invitation to tender for the purchase of the Claim.

In accordance with the agreement, the transfer of the Claim will be finalized after the purchase price has been paid in full. All taxes and charges in connection with the transfer of Claims, including any notarial fees, shall be paid by the buyer. The Claim are sold on an as-is basis, whereby the Seller’s entire Claim, including charges and accrued interest and accessory rights, to the maximum extent of the law, shall transfer onto the buyer. Seller does not guarantee the existence of pertaining collateral to the Claim.

8. Miscellaneous

Bidders shall cover the costs of their involvement in the public call for the purchase of the Claim or in the process of selling the Claim, as well as any associated costs, regardless of the result of the public call procedure. Seller reserves the right to revise the proceedings and conditions involved in the sale of the Claim.

This public tendering procedure shall be conducted in Slovenian. The Seller may also choose to publish or present individual documents in another (e.g. English) language, as well.

If the application (e.g. offer) under this public call is subject to a deadline, it shall be deemed to have arrived on time if it physically arrived to the seller’s address before the deadline. If the deadline should fall on a Saturday, Sunday or any holiday specified in the law governing holidays, the deadline shall be deemed to expire at the end of the next business day.

The agreement on the sale and purchase of the Claim shall be made in the form of a directly executable notarial deed or in another form, insofar as it is stipulated by law or expressly requested by the Seller at its own discretion.

9. Right of cancellation

The Seller reserves the right to cancel the call for offers or the procedure involving the sale of the Claim at any time and/or for any reason. This can be done at any time prior to the signing of the agreement on the sale of the Claim, and the bidders shall have no claims against the Seller in this regard. The Seller’s liability is entirely excluded. The Seller is also required to respect statutory and other pre-emption rights.

The Seller reserves the right not to sign the contract with any bidder.
10. Additional information

Potential bidders seeking further information may contact the Seller’s representative, Bor Vošnjak, tel. no.: +386 1 42 93 893, email: bor.vosnjak@dutb.eu.

11. Applicable law and jurisdiction

This public tendering procedure or this publication, procedures involved in this invitation to tender, collection of bids and the agreement on the sale of the Claim shall be subject to the laws of the Republic of Slovenia. In the event of any disputes, the matter shall be resolved by the competent court in Ljubljana.

This public tender is the translation of the Slovene version of the public tender. In case of discrepancies that should arise as a result of translation or any other reason the Slovene text of the public tender shall be used.

DUTB, d.d.