

Pursuant to Article 37, paragraph 1, item 1), of the Telecommunication Law (*Official Gazette of RS*, nos. 44/03 and 36/06), Rules on number and period for which the licence is issued, minimum conditions for licence issuance and minimum amount of the one-off licence fee payable at the issuance of the licence for public telecommunications network in frequency band 411.875-418.125/421.875-428.125 MHz (*Official Gazette of RS*, no. 15/09, hereinafter: MTID Rules) and Rules on procedures for the issuance of licence for public telecommunications networks and public telecommunications services and on register keeping (*Official Gazette of the RS*, no. 29/06), the Republic Telecommunication Agency (hereinafter: Agency) hereby publishes

PUBLIC NOTICE

For participation in the public bidding procedure for the issuance of two licences for fixed wireless access (FWA) for public telecommunications network and services in the frequency band 411.875-418.125/421.875-428.125 MHz for the territory of the Republic of Serbia

1. The subject of the Public Bidding are two licences for fixed wireless access (FWA) for public telecommunications network and voice services, data package transmission and simultaneous voice and data transmission, in the frequency band 411.875-418.125/421.875-428.125 MHz for the territory of the Republic of Serbia (hereinafter: Licence), which shall be issued pursuant to Arts. 2, 3 and 5 of the MTID Rules.

2. The Licence shall be issued for the period of 10 years as of the date of issuance.

3. Any entity registered for performing telecommunications activity which provides a due proof thereof, and which purchases the Bidding Documentation, may participate in the public bidding procedure referred to in item 1 herein (hereinafter: Public Bidding).

An entity intending to perform telecommunications activity which makes a deposit in the amount of EUR1,000,000.00 into the appropriate account or presents an irrevocable, first-class bank guarantee, payable on first demand, in the amount of EUR1,000,000.00 to Agency, and which purchases the Bidding Documentation, may also participate in the Public Bidding. The bank guarantee may be issued only by an "A" list bank as defined by the National Bank of Serbia. In the event that the bank guarantee is issued by a bank based abroad, the admissibility of the foreign bank shall be determined in accordance with the data of the international credit rating agencies and verified by the National Bank of Serbia.

4. The minimum (initial) amount of the one-off fee payable at the Licence issuance shall be EUR500,000.00, whereas the final amount of the one-off fee shall be determined in the Public Bidding.

5. In the Public Bidding, the applicant may submit a bid only for one Licence which is the subject of the procedure, and may not be related to other bidders in the Public Bidding by means of property rights or other management rights, in a way such as to prevent competition in the telecommunications market of the Republic of Serbia.

6. The selection of the best bid in the Public Bidding shall be carried out in two phases. The first phase of the public bidding procedure shall be carried out through the collection of Bids, whereas the second phase shall also include a public auction procedure, in case at least three qualified Bids have been submitted by the Bidders.

A more detailed procedure closely regulating the carrying out of the public auction procedure, following the previously carried out collection of Bids, shall be an integral part of the Bidding Documentation.

7. The decision on the selection of the most favourable bid shall be based on the amount offered for the one-off fee, where the minimum (initial) amount of the one-off fee given in the Bid, submitted by an entity fulfilling the terms and conditions referred to in item 3 herein, may not be less than EUR500,000.00.

8. The application for participation in the Public Bidding for the Licence issuance with a request to purchase the Bidding Documentation (hereinafter: Application) shall be submitted in Serbian language, from April 6 until April 8, 2009, 15.00 hrs (local time) to the following address: Republic Telecommunication Agency, Visnjiceva 8, 11000 Belgrade, Republic of Serbia, marked: **“Zahtev za otkup konkursne dokumentacije za Licencu CDMA”** (“request to purchase the Bidding Documentation for CDMA Licence”). Along with the Application, the proof of payment of the amount of RSD25,000.00 for the costs of Application processing and the amount of EUR50.00 for purchasing the Bidding Documentation into the Agency account, in accordance with the Rules on fees and costs for licence and authorization issuance (*Official Gazette of RS*, no. 58/06).

Bidding Documentation shall also include Instructions to Bidders, as an integral part thereof, regulating in further detail the manner of Bid submission, and the procedure closely regulating the carrying out of the public auction procedure.

9. The Bidder who has not been granted a Licence shall be refunded the paid deposit and/or bank guarantee, referred to in item 3, paragraph 2 herein, after the decision on the selection of the most favourable bid has been made, except in cases specified in the Instructions to Bidders.

The deposit, referred to in item 3, paragraph 2 herein, paid by the Bidder who has been granted a Licence shall be included in the one-off licence fee.

10. The Bid shall be submitted by May 15, 2009, 12.00 hrs. (local time) to the following address: Republic Telecommunication Agency, Visnjiceva 8, 11000 Belgrade, Republic of Serbia, marked: **“za Licencu CDMA – ne otvarati osim u prisustvu Komisije”** (“CDMA Licence – do not open without the Bidding Commission”).

Public opening of the Bids shall take place on May 15, 2009 at 12.30 hrs. at the Agency premises.

The Bid shall be submitted in one original and five photocopies, in a closed envelope, in Serbian language, with the full name and headquarters of the Bidder indicated thereon. The evidence indicated in the Bidding Documentation, shall be enclosed to the Bid, in Serbian language.

The Public Bidding Commission shall make a report on the carried out Public Bidding, containing *inter alia* the proposal to award the licenses to the most favourable Bidders and/or winners of the public auction, no later than 15 days following the day of the opening of the Bids.

11. The decision on the selection of the most favourable Bid and/or the decision on issuing the Licence to the most favourable bidders and/or winners of the public auction shall be made by the Agency no later than June 8, 2009, whereas the Licence shall be issued no later than eight days after the full amount of the one-off fee has been paid into the Treasury of the Republic of Serbia.

12. The selected most favourable bidder and/or the winner of the public auction, i.e. the Licence Holder without headquarters in the territory of the Republic of Serbia shall be required to set up a business company in the Republic of Serbia with 100% ownership, to which the Licence shall be transferred.

13. The interested Bidders, who have purchased the Bidding Documents, shall make a deposit in the amount of EUR10,000.00 into the Agency foreign currency account when submitting the Bid, where the Bidder who has not been granted a Licence shall be

refunded the paid deposit, after the decision on the selection of the most favourable bid has been made, except in cases specified in the Instructions to Bidders which is an integral part of the Bidding Documentation, while the deposit paid by the Bidder who has been granted a Licence shall be included in the one-off licence fee.

14. For any additional information regarding this Public Notice and Public Bidding, the interested parties may contact the Agency on the following address: Republic Telecommunication Agency, Visnjiceva 8, 11000 Belgrade, by fax at: +381 11 3232-537, or by e-mail at: ratel@ratel.rs.

15. The Agency reserves the right to modify, amend, suspend or terminate the Public Bidding. The Agency shall not be held liable for any damage or expenses to a Bidder based on their participation in the Public Bidding, nor for any postponement, error, delay, inaccuracy or any damage or expenses arising from any decision of the Agency to modify, amend, suspend or terminate the Public Bidding.