

## **General Terms for Implementation of Procurement Procedure of Joint Stock Telecommunications Company Telekom Srbija Beograd**

The General Terms for implementation of the procurement procedure of the Joint Stock Telecommunications Company Telekom Srbija Beograd (hereinafter: the General Terms) determine the uniform conditions for participation and the implementation of procurement procedures of the Joint Stock Telecommunications Company Telekom Srbija Beograd (hereinafter: Telekom Srbija a.d. or the Client) for all prospective bidders. Invitation for bid submission will specify and supplement the terms for implementation of specific procurements determined by the General Terms. Telekom Serbia a.d. may change, supplement or replace those General Terms by other General Terms in accordance with its business policy, about which all prospective bidders will be informed by announcement on the portal of Telekom Srbija a.d.

### **1.1. PROCUREMENT PROCEDURE**

Each specific procurement shall be conducted in accordance with the General Terms and Invitation for Bid Submission for a specific procurement (hereinafter: the Invitation), for the purpose of contract conclusion. The term "contract" means a legal document submitted to the bidder through the Invitation, such as: contract, annex, purchase order, request for delivery, etc.

### **1.2. SCOPE OF PROCUREMENT**

The scope of procurement for each specific procurement shall be stated in the Invitation.

During the analysis of the bids, the Client reserves the right to perform the correction of quantities in relation to the quantities defined in the Specification of the Invitation.

The Client reserves the right, after the opening and analysis of the bids, to conduct the negotiation procedure with a limited number of bidders whose bids were technically acceptable and the most favourable. Subject of negotiations shall be the price and other elements of importance to the Client.

### **1.3. BID CONDITIONS**

The bidder's bid must include all the elements stated in the Invitation and General Terms.

#### **1.4. LANGUAGE**

The bidder may submit the bid in the Serbian or English language. The Client reserves the right to require from the bidder the translation of the whole bid or any part thereof into the Serbian language by an authorized court interpreter. During the procedure of examination and evaluation of the bid, the Client shall determine the appropriate deadline within which the bidder shall be obliged to translate the required part of the bid. In case of dispute, the version of the bid in the Serbian language shall prevail.

#### **1.5. BID FORMAT**

The bidder shall submit the bid in writing or in electronic form, which shall be stated in the Invitation.

The bid must be completed, certified and submitted on forms obtained from the General Terms and Invitation and it must be clear and unequivocal.

The contents of the entire bid shall be stated at the beginning of the bid.

If the Invitation specifies that the bid is to be submitted in writing, the entire bid in writing must also be scanned in .pdf format and submitted on CD ROM/USB, in correct format. The stated medium must be clearly marked with the bidder's name and procurement number. The bidder guarantees that the submitted bid is identical to the electronic bid.

If the Invitation specifies that the bid is to be submitted only in electronic form, the entire bid must be scanned in .pdf format and submitted electronically.

#### **1.6. BID SUBMISSION**

The bid submission deadline shall be stated in the Invitation.

If the bid is submitted in writing, the bidder shall submit the bid duly packed, by registered mail or hand it in person at the address stated in the Invitation. Completed Attachment 7 from section 3 of the General Terms shall be glued to the back of the envelope.

If the bid is submitted in the electronic form, the bidder shall submit the bid to the e-mail address stated in the Invitation.

The bid not received by the Client until the deadline stated in the Invitation shall be deemed untimely bid. Upon completion of the bid opening procedure, the Client's Commission shall return all untimely bids to the bidders, unopened and marked as untimely bids (bids submitted in writing), i.e. inform the bidders about the lateness (bids submitted in electronic form).

#### **1.7. BID OPENING**

The Client's commission shall conduct the opening of bids upon the expiration of bid submission deadline stated in the Invitation.

With regard to the public bid opening, the bidders are obliged to submit, at the bid opening at the latest, the authorization letter for participation in the public bid opening procedure which shall include the data on the person authorized to participate in the bid opening, namely: name and family name, ID number, internal affairs secretariat which issued the ID and the Personal Identification Number. For foreign citizens it is obligatory to submit name and family name, passport number and the country which they come from two days prior to the defined bid opening deadline.

## **1.8. APPROXIMATE TIME LIMIT FOR REACHING THE DECISION ON CONTRACT AWARD**

Decision on contract award shall be made upon the analysis of the bids by the Client's commission within approximately 30 days upon the bid opening date, about which the Client will notify the bidders in writing.

This notification binds the selected bidder to proceed with contract conclusion at the Client's first demand. Upon signing of the contract by the Client, the bidder, whose bid is selected as the most favourable bid, is obliged to takeover, sign and return the contract not later than 3 (three) days as from the date the Client sent the invitation.

If the Bidder, whose bid is selected as the most favourable, refuses to conclude the contract or fails to comply with the deadline from the previous paragraph, the Client has the right to conclude the contract with the second ranking bidder.

## **1.9. BID WITH VARIANTS**

Submission of bid with variants is not allowed, unless explicitly stated in the Invitation.

## **1.10. BID VALIDITY**

The bid must be valid for at least 90 (ninety) days from the bid opening date, unless otherwise stated in the Invitation.

## **1.11. PARTICIPATION IN THE JOINT BID OR AS A SUBCONTRACTOR**

The bidder may submit only one bid.

The bidder who has submitted its bid independently cannot participate in the joint bid or as a subcontractor at the same time, nor can the same entity participate in more than one joint bid.

The bidder shall state in the Bid Form, provided in the Invitation, in which manner it submits the bid, i.e. whether it submits the bid independently, or as a joint bid, or with the subcontractor.

### **A) BID WITH SUBCONTRACTOR**

If the bidder submits the bid with subcontractor, it is obliged to state in the Bid Form that it submits the bid with the subcontractor, as well as the name and the seat of the subcontractor.

If the contract is concluded between the Client and the bidder who submits the bid with subcontractor, that subcontractor shall also be stated in the contract along with the business activities entrusted to him.

The bidder shall be fully responsible to the Client for performance of obligations from the procurement procedure, i.e. performance of contractual obligations, regardless of the number of subcontractors.

### **B) JOINT BID**

Bid may be submitted by a group of bidders.

If the bid is submitted by a group of bidders, the agreement by which the bidders from the group commit between themselves and towards the Client to contract performance must be an integral part of the joint bid and it must contain the information on:

- group member who will be the main contractor, i.e. who will submit the bid and represent the group of bidders before the Client,
- bidder who will sign the contract on behalf of the group of bidders,
- bidder who will provide security instruments on behalf of the group of bidders,
- bidder who will issue the invoice,
- account to which the payment will be effected,
- obligations of each bidder from the group of bidders for contract performance.

The bidders from the group of bidders shall have unlimited joint and several liability towards the Client.

### **1.12. PRICE AND CURRENCY**

The manner of quoting the price and currency shall be stated in the Invitation.

If the bid states an unusually low price, the Client reserves the right to reject such bid. Unusually low price is the offered price that deviates significantly from the comparable market price and causes doubt whether the contractual obligations will actually be executed, and in accordance with the General Terms and conditions from the Invitation.

### **1.13. BID BOND SECURITY INSTRUMENT**

If explicitly stated in the Invitation, the Bidder must submit, as bid bond security instrument, the bid bond bank guarantee i.e. blank promissory note and endorsement letter, in accordance with the models given in section 3 of the General Terms (Attachment 6).

### **1.14. REQUIRING ADDITIONAL INFORMATION OR CLARIFICATIONS REGARDING BID PREPARATION**

The bidders may require from the Client the additional information or clarifications regarding the bid preparation in writing no later than 3 (three) days prior to the expiration of the bid submission deadline stated in the Invitation.

The Client shall, as soon as possible, send the answer to all prospective bidders who have received/taken over the Invitation.

Contact person and e-mail address for the submission of questions shall be stated in the Invitation.

The submitted questions shall be marked as: Request for Additional Information and Clarifications of the Invitation for Procurement of \_\_\_\_\_, Procurement Ordinal Number \_\_\_\_/\_\_\_\_.

### **1.15. ADDITION TO INVITATION**

The Client reserves the right to make changes or additions to the Invitation before the expiration of the bid submission deadline.

If the Client makes changes or additions to the Invitation 3 (three) or less days before the expiration of the bid submission deadline, and which change is such that requires additional time for bid preparation, the Client shall extend the bid submission deadline, about which the prospective bidders will be informed.

## **1.16. CLIENT'S REQUESTS FOR ADDITIONAL EXPLANATIONS FROM THE BIDDERS UPON BID OPENING**

The Client may, upon the opening of the bids, at the expert evaluation of the bids, require from the bidder the additional explanations to facilitate bid examination, evaluation and comparison and it may perform the control (insight) at the bidder's or its subcontractor's.

The Client will send the request for additional explanation to the bidder in writing and determine the appropriate deadline for response in the said request. In case the bidder does not respond at the Client's request within the appropriate deadline, the Client reserves the right to construe on its own the unclear elements of the bid.

The Client may, with the bidder's consent, perform corrections of the calculation mistakes identified during examination of the bid upon performed opening procedure. In case of difference between the unit and total price, the unit price shall be considered relevant. If the bidder does not agree with correction of the calculation mistakes, the Client shall reject the bid as unacceptable.

In case the bidder failed to submit some of the required evidences, failed to fulfil some of the conditions from the Invitation and General Terms or failed to correctly complete any of the forms, the Client reserves the right to ask the bidder to amend, i.e. correct its bid within the deadline determined by the Client.

## **1.17. DATA CONFIDENTIALITY**

The data reasonably marked as confidential by the bidder will be used only for the purposes of the invitation and shall not be available to anyone except to the persons involved in the procurement procedure. Those data will not be disclosed at the bid opening, nor during continuation or later.

The bidder may mark as confidential the documents containing personal information, not contained in any public registry, or which are not available in any other way, as well as business information which are marked as confidential by regulations or bidder's internal documents.

The Client will treat as confidential the documents in the bid which on the top of the right side thereof, bear the inscription "CONFIDENTIAL" in capital letters, whereunder the signatory of the bid will place its signature. If only specific information in the document is deemed confidential, such confidential part must be underlined in red colour, while the inscription "CONFIDENTIAL" must be indicated within the right margin following the same line.

The Client shall not be responsible for the confidentiality of data not marked in the above manner.

If the information not conforming to the above stated conditions is marked as confidential, the Client will ask the bidder to remove the confidentiality inscription. The bidder will do so by instructing its representative to write "REVOCATION" above the inscription of confidentiality, followed by the date, time and its signature.

If the bidder does not revoke the confidentiality of documents within the deadline determined by the Client, the Client will reject the bid as a whole.

Bid Form cannot be marked as "CONFIDENTIAL".

#### **1.18. REASONS FOR POSSIBLE REJECTION OF THE BID AND GIVING UP THE SELECTION**

The bid will be taken into consideration only if it fulfils all the conditions from the Invitation and General Terms.

The Client reserves the right to give up the selection and suspend the procedure in case the procurement is to be postponed due to Force Majeure, if planned funds for such procurement are exceeded or if further execution of the procurement is not possible due to objective and verifiable reasons, that could not be foreseen at the time of procedure initiation and which prevent discontinuation of the initiated procedure, i.e. due to the reasons for which the Client's need for the subject procurement has ceased, and in which case the bidder itself shall bear the costs of the participation in the procurement.

## 2. CONDITIONS FOR PARTICIPATION IN THE PROCUREMENT PROCEDURE AND INSTRUCTIONS FOR PROVING THE FULFILMENT OF THESE CONDITIONS

### 2.1 CONDITIONS FOR PARTICIPATION IN THE PROCUREMENT PROCEDURE

2.1.1 The bidder who has fulfilled the following conditions for participation in the procurement procedure has the right to participate in the subject procurement procedure:

- 1) that it is registered with the competent authority, or entered in the appropriate register;
- 2) that the bidder and its legal representative have not been convicted for any criminal act as members of an organized criminal group, that they have not been convicted for commercial criminal offences, criminal offences against environment, criminal offence of receiving or offering bribe, criminal offence of fraud;
- 3) that it has not been prohibited from performing the activity by any measure in force at the time of publishing the Invitation for Bid Submission;
- 4) that it has paid due taxes, levies and other public duties in compliance with the regulations of the Republic of Serbia or a foreign country when it has a registered seat in its territory;
- 5) that the bidder was not in account blockade for more than 30 (thirty) days during 6 (six) months from the submission date of the Invitation for Bid Submission. The bidder must not be in blockade during the period of bid analysis or during the contract conclusion.

2.1.2 If the bidder submits the bid with a subcontractor, the subcontractor must fulfil the conditions from items 1) to 5).

2.1.3 If a group of bidders submits the bid, each bidder from the group must fulfil the conditions from items 1) to 5).

### 2.2 INSTRUCTIONS FOR PROVING THE FULFILMENT OF CONDITIONS

The bidder shall prove the fulfilment of **conditions** for participation in the subject procurement procedure by submitting the following proofs:

- 1) Condition from item 1) - **Proof:** Extract from the register of the Business Registers Agency or extract from the register of the competent Commercial Court;
- 2) Condition from item 2) - **Proof: Legal entities:** 1) Extract from penal records or certificate of the basic court within whose jurisdiction the registered office of domestic legal entity or seat of the representation or foreign legal entity branch office is situated, proving that the legal entity has not been convicted for commercial criminal offences, criminal offences against environment, criminal offence of receiving or offering bribe, criminal offence of fraud; 2) Extract from penal records of the Special Department for Organized Crime of the Higher Court in Belgrade proving that the legal entity has not been convicted for any criminal act of an organized crime; 3) Extract from penal

records or certificate from the competent police directorate of the Ministry of Interior that the bidder's legal representative has not been convicted for commercial criminal offences, criminal offences against environment, criminal offence of receiving or offering bribe, criminal offence of fraud and any criminal act of an organized crime (a request can be filed according to the place of birth or place of residence of the legal representative). If the bidder has several legal representatives it is obliged to submit the proof for each of them. Entrepreneurs and physical entities: Extract from penal records, or certificate from the competent police directorate of the Ministry of Interior proving that it has not been convicted for any criminal act as a member of an organized criminal group, for commercial criminal offences, criminal offences against environment, criminal offence of receiving or offering bribe, criminal offence of fraud (a request can be filed according to place of birth or place of residence).

**The proof cannot be older than two months prior to bid opening;**

- 3) Condition from item 3) - **Proof:** Bidder's Statement that it has not been prohibited from performing the activity (Attachment 5, section 3 of the General Terms);
- 4) Condition from item 4) - **Proof:** Certificate of Tax Administration, Ministry of Finance and Economy that it has paid due taxes and levies and certificate of the local government administration that it has settled its liabilities related to original local public revenues or certificate issued by Privatization Agency that the bidder is in the process of privatization.

**The proof cannot be older than two months prior to bid opening;**

- 5) Condition from item 1) – **Proof:** Certificate of Solvency for public procurements (BON-JN Form) issued by the Business Registers Agency, Register of Financial Statements and Data on Solvency of Legal Entities and Entrepreneurs, pursuant to Article 4 of the Law on Business Registers Agency (The Official Gazette of RS no. 55/2004 and 111/2009) and **which shall not be older than the submission date of the invitation for bid submission**, or Certificate of the number of insolvency days for the period of 6 (six) months **from the submission date of the invitation for bid submission**, issued by NBS, Enforced Collection Department, **Division for the Reception, Control and Entry of Execution Titles and Payment Orders, Kragujevac**, pursuant to Article 54, Paragraph 1, Item 4 of the Law on Payment Transactions (The Official Gazette of SRJ no. 3/2002 and 5/2003 and The Official Gazette of RS no. 43/2004, 62/2006, 111/2009 – other law, 31/2011 and 139/2014- other law).

If the bidder submits the bid with a subcontractor, the bidder is obliged to submit for the subcontractor the proofs for fulfilment of the conditions from items 1) to 5).

If a group of bidders submits the bid, the bidder is obliged to submit for each group member the stated proofs for fulfilment of the conditions from 1) to 5).

If the Bidder has its registered seat in another country, the documents by which the bidder proves that it has fulfilled the required conditions must be issued by the competent authorities of that particular country. The Client may verify whether the documents by which the bidder proves the fulfilment of the required conditions



have been issued by the competent authorities of that particular country. If the stated proofs are not issued in the country where the bidder has its registered office, the bidder may, instead of the required proofs, submit adequate proofs issued in that country or submit its written statement on the fulfilment of stated conditions, given under criminal and material responsibility, certified by the judicial or administrative authority, notary or some other competent authority of that country.

The stated proofs for the fulfilment of conditions may be submitted as uncertified copies, and the Client may, prior to making the decision on contract award, require from the bidder, whose bid has been evaluated as the most favourable one based on the report on the procurement, to submit for inspection the original or certified copy of all or specific proofs.

If, within set and reasonable time limit that cannot be shorter than 5 (five) days, the bidder does not submit the original or certified copy of required proofs for inspection, the Client will reject the bid as unacceptable.

The bidders registered in the Register of Bidders kept by the Business Registers Agency do not have to submit the proofs for the fulfilment of mandatory conditions from items 1) to 4), but instead they shall submit a statement on performed registration in the stated register.

The bidders registered by the Client in the database of active bidders do not have to submit the proofs for the fulfilment of mandatory conditions from items 1) to 5) but instead they shall submit a copy of the certificate received from the Client that they are registered in the database of active bidders. The bidders who do not have the certificate issued by the Client confirming that they have been registered in the database of active bidders shall receive the said certificate if, through the performed procurement procedure, it is established that they fulfil the mandatory conditions from items 1) to 5). The said certificate can be used in the upcoming procedures. The bidders who are interested in applying for entry into the database of active bidders, apart from the specific procurement procedure, should write to the following e-mail address: [nabavka.kontakt@telekom.rs](mailto:nabavka.kontakt@telekom.rs)

The bidder whose name is stated in the Client's list of bidders qualified for the procurement for which the Invitation was sent does not submit the above stated proofs.

### **3. ATTACHMENTS**

ATTACHMENT 1 - INFORMATION ABOUT THE SUBCONTRACTOR

ATTACHMENT 2 - INFORMATION ABOUT THE PARTICIPANT IN THE JOINT BID

ATTACHMENT 3 - BIDDER'S STATEMENT ON ACCEPTANCE OF CONDITIONS  
FROM THE INVITATION AND GENERAL TERMS

ATTACHMENT 4 - STATEMENT ON INDEPENDENT BID

ATTACHMENT 5 - STATEMENT THAT A PROHIBITION ON PERFORMING  
THE ACTIVITY HAS NOT BEEN PLACED

ATTACHMENT 6 - MODELS OF BID BOND SECURITY INSTRUMENTS

ATTACHMENT 7 - INFORMATION ABOUT THE BID

**ATTACHMENT 1**

**INFORMATION ABOUT THE SUBCONTRACTOR**

<b>1. Name of subcontractor:</b>	
Address:	
ID number:	
Tax identification number (TIN):	
Contact person's name:	
Percentage of total procurement value to be performed by the subcontractor:	
Part of the procurement scope to be performed by the subcontractor:	
<b>2. Name of subcontractor:</b>	
Address:	
ID number:	
Tax identification number (TIN):	
Contact person's name:	
Percentage of total procurement value to be performed by the subcontractor:	
Part of the procurement scope to be performed by the subcontractor:	

Date: \_\_\_\_\_

Authorized person's signature

Place: \_\_\_\_\_

(L.S.)

\_\_\_\_\_

**Note:**

Table "Information about the Subcontractor" is to be filled out only by the bidders who submit the bid with the subcontractor, and if there are more subcontractors than the spaces provided in the table, the above form needs to be copied, as many times as necessary, filled out and submitted for each subcontractor.

**ATTACHMENT 2**

**INFORMATION ABOUT THE PARTICIPANT IN THE JOINT BID**

<b>1. Name of the participant in the joint bid:</b>	
Address:	
ID number:	
Tax identification number (TIN):	
Contact person's name:	
<b>2. Name of the participant in the joint bid:</b>	
Address:	
ID number:	
Tax identification number (TIN):	
Contact person's name:	
<b>3. Name of the participant in the joint bid:</b>	
Address:	
ID number:	
Tax identification number (TIN):	
Contact person's name:	

Date: \_\_\_\_\_

Authorized person's signature

Place: \_\_\_\_\_

(L.S.)

\_\_\_\_\_

**Note:**

Table "Information about the participant in the joint bid" is to be filled out only by the bidders who submit the joint bid, and if there are more participants in the joint bid than the spaces provided in the table, the above form needs to be copied as many times as necessary, filled out and submitted for each bidder who is participant in the joint bid.

**ATTACHMENT 3**

**BIDDER'S STATEMENT  
ON ACCEPTANCE OF CONDITIONS FROM THE INVITATION AND GENERAL  
TERMS**

We hereby declare that by submitting the bid we fully accept the conditions from the Invitation and General Terms for the procurement of \_\_\_\_\_, procurement ordinal number \_\_\_\_ / \_\_\_\_.

We agree that these conditions shall in all constitute an integral part of the contract which cannot be contradictory thereto.

Date:

Authorized person's signature

Place:

(L.S.)

**ATTACHMENT 4**

**STATEMENT ON INDEPENDENT BID**

We hereby confirm under full material and criminal liability that under the procedure for the procurement of \_\_\_\_\_, procurement ordinal number \_\_\_\_/\_\_\_\_, we submitted the bid independently without agreement with other bidders or interested entities.

Date: \_\_\_\_\_

Authorized person's signature

Place: \_\_\_\_\_

(L.S.)

\_\_\_\_\_

**ATTACHMENT 5**

**STATEMENT THAT A PROHIBITION ON PERFORMING THE ACTIVITY  
HAS NOT BEEN PLACED**

We hereby confirm under full material and criminal liability that under the procedure for the procurement of \_\_\_\_\_, procurement ordinal number \_\_\_\_/\_\_\_\_, we have not been prohibited from performing the activity by any measure in force at the time of the bid submission

Date: \_\_\_\_\_

Authorized person's signature

Place: \_\_\_\_\_

(L.S.)

\_\_\_\_\_

**ATTACHMENT 6: MODELS OF BID BOND SECURITY INSTRUMENTS**

**Model of Bid Bond Endorsement Letter**

DEBTOR: \_\_\_\_\_

IDENTIFICATION NUMBER: \_\_\_\_\_

TIN: \_\_\_\_\_

CURRENT ACCOUNT: \_\_\_\_\_ bank \_\_\_\_\_ HEREBY ISSUES

**ENDORSEMENT LETTER - AUTHORIZATION  
- for the beneficiary of the blank promissory note -**

BENEFICIARY: TELEKOM SRBIJA a.d. Beograd, Takovska 2 (Creditor)

We hereby deliver to you blank promissory note with the serial number: \_\_\_\_\_ and authorize the Telecommunications Company TELEKOM SRBIJA a.d. Beograd, Takovska 2, as a creditor, to fill out the blanks of the delivered note with the amount up to 5% of the total value of the bid no. \_\_\_\_\_ dated \_\_\_\_\_ with the validity until \_\_\_\_\_, if the Debtor fails to meet, completely or partially, its obligations under the said bid, and in the event that:

1. the Debtor-Bidder withdraws its bid during the bid validity period, as specified by the Bidder in the bid form

or

2. the Debtor-Bidder, after has been informed about the acceptance of the bid by TELEKOM SRBIJA a.d. Beograd during the bid validity period:
  - fails to sign or refuses to sign the contract;
  - fails to provide or refuses to submit the security instruments and guarantees which it is obliged to submit under the bid in case it is selected as the most favorable Bidder.

We hereby authorize TELEKOM SRBIJA a.d. Beograd, as a creditor, to fill out the note for the collection of the debt amount pursuant to the said bid and to effect unconditionally and irrevocably, without protest and costs, out of court and in compliance with the applicable regulations, the collection at all accounts of (Name of debtor) \_\_\_\_\_ and in favor of TELEKOM SRBIJA a.d. Beograd, Takovska 2.

(Name of debtor) \_\_\_\_\_ hereby waives the right to revoke this endorsement, raise an objection to the debit and to the cancellation of the debit on this basis of the collection.

The note is also effective if during the contract validity period a change is made as regards the person authorized to represent, persons authorized to manage funds at the bank account, as well as the change of the seal, status changes, foundation of new legal entities by (Name of debtor) \_\_\_\_\_.

The note is signed by the person(s) authorized to represent and manage funds at the bank account of (Name of debtor) \_\_\_\_\_.

This endorsement is made in 2 (two) identical copies, of which 1 (one) shall rest with (Name of debtor) \_\_\_\_\_, and 1 (one) with TELEKOM SRBIJA a.d. Beograd.

Date: \_\_\_\_\_

Authorized person's signature

Place: \_\_\_\_\_

(L.S.)

\_\_\_\_\_



## MODEL OF BID BOND BANK GUARANTEE

Whereas \_\_\_\_\_ (hereinafter referred to as: the BIDDER) submitted its bid for \_\_\_\_\_ (hereinafter referred to as: the BID) based on the invitation for bid submission for \_\_\_\_\_.

We hereby inform all the interested entities that WE (*name of the bank*) from (*name of the state, place and address of the bank*) (hereinafter referred to as: the BANK) or our legal successors shall pay the amount of 5% of the total value of the bid no. \_\_\_\_\_ dated \_\_\_\_\_, amounting to RSD/EUR \_\_\_\_\_ in RSD counter-value in favour of Telekom Srbija a.d. Beograd (hereinafter referred to as: the CLIENT).

Certified by the great seal of the bank on \_\_\_\_\_

The CONDITIONS of this obligation are:

- If the BIDDER withdraws its BID during the bid validity period, as specified by the BIDDER in the BID FORM,  
or
- If the BIDDER, after has been informed about the acceptance of the BID by the CLIENT during the bid validity period, fails to sign or refuses to sign the contract,

WE undertake irrevocably and pursuant to the conditions in this document, without a possibility of any protest or objection, to pay the CLIENT the sum up to the above stated amount upon the receipt of the first written demand, without the CLIENT'S needing to substantiate its demand, provided that the Client stated in its demand that the amount required for payment is due because of the occurrence of one or more conditions, and that it specified such condition or conditions that have occurred.

Payment under this guarantee shall be effected on the third day of the receipt of the demand at the latest and shall be free of any deductions, costs, taxes or fees.

The validity period of this guarantee cannot be shorter than 20 (twenty) days as from the bid validity expiration date.

Any claim under this guarantee should reach the Bank before the expiry of the above stated date. After the stated deadline, the guarantee expires and becomes irrelevant, whether it was returned to the Guarantor or not.

Guarantor's signature and seal \_\_\_\_\_

Name of the Guarantor \_\_\_\_\_

Address \_\_\_\_\_

Place and date \_\_\_\_\_

**ATTACHMENT 7**

**SENDER:**

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**PROCUREMENT**

*(state the scope of procurement)*

Procurement ordinal number \_\_\_/\_\_\_

**BID**

**-TO BE OPENED BY THE COMMISSION-**