

PROTOCOL NO. 11

MEETING OF THE COMMISSION FOR COMPETITIVE SELECTION OF LEGAL ENTITIES ENGAGED IN THE SALE OF SEIZED ASSETS

Kyiv

March 20, 2024

Start of the meeting: 11:00

End of the meeting: 11:32

PRESENT: members of the Commission

1. Grigol Katamadze Deputy Head for European Integration of ARMA, Chairman of the Commission.
2. Stanislav Petrov - Deputy Head of ARMA for Digital Development, Digital Transformation and Digitalization (CDTO), Deputy Chairman of the Commission.
3. Hurynenko Serhii – Head of the Fourth Division of the Asset Management Department of ARMA's central office, Commission Secretary.
4. Dolnyi Serhii - Deputy Director of the Sanctions Policy Department - Head of the Sanctions Policy Formation and Implementation Division of the Ministry of Economy of Ukraine, Commission member.
5. Velem Ruslan - Head of the Department of Analytical and Statistical Support and Control over the Sale of Seized Property of the Department for Control over the Activities of Bodies and Persons Enforcing Decisions, of the Department of State Enforcement Service of the Ministry of Justice of Ukraine, Commission member.

AGENDA:

1. Approval of the Commission meeting agenda.
2. Approval of the Competition Announcement (competitive selection of legal entities engaged in the sale of movable seized assets located abroad).
3. Approval of the publishing of the Announcement on holding a competition (competitive selection of legal entities that carry out the sale of movable seized assets located abroad).
4. Hearing and consideration of proposals from national and international organisations, potential bidders, including non-resident legal entities, international organisations, and international technical assistance projects.
5. Other issues.

Regarding question №1

LISTENED TO: Chairman of the Commission KATAMADZE Grigol, who announced the agenda of the Commission meeting and informed that for the first time in the history of independent Ukraine and ARMA, the sale of a foreign asset, namely the vessel (yacht) ROYAL ROMANCE, 2015 (IMO number: 1012268) (hereinafter - the Asset), owned by Viktor Medvedchuk, is being initiated.

Informed that the sale of this asset became possible due to systematic analysis and dedicated work of ARMA, cooperation with foreign partners and public authorities, judicial institutions of the Republic of Croatia.

Announced the start of organization and conduction of a public tender for the selection of legal entities engaged in the sale of the valuable lot yacht ROYAL ROMANCE, a vessel designed by De Voogt Naval Architects B.V. (Netherlands) and built by one of the best shipbuilding companies in the world - Feadship (Netherlands).

Emphasised that the sale of this lot will undoubtedly go down in history. The proceeds from the sale of the Asset will be used to support Ukraine's defence capability. Detailed information about the Asset was provided.

Proposed to approve the Announcement on holding a competition (competitive selection of legal entities engaged in the sale of movable seized assets located abroad); publication of the Announcement on holding a competition (competitive selection of legal entities engaged in the sale of movable seized assets located abroad); hearing and consideration of proposals from national and international organisations, potential participants in the competition, including non-resident legal entities, international organisations, and international technical assistance projects; Other issues.

DECIDED: to approve the agenda of the Commission meeting on the competitive selection of legal entities engaged in the sale of seized assets.

VOTED ON:

Katamadze G. – «yes»

Petrov S. - «yes»

Hurynenko S. - «yes»

Dolnyi S. - «yes»

Velem R. - «yes»

«yes»- 5; against - none; abstained - none.

The decision was adopted.

Regarding question №2

LISTENED TO: LISTENED TO: Ruslana VELEM, Commission Secretary, who reported that in accordance with the decision of the Lychakiv District Court of the city of Lviv dated 16.03.2022 in case

No. 463/1712/22, the property of a non-resident legal entity LANELIA HOLDINGS LTD was seized in criminal proceedings, namely: the vessel (yacht) ROYAL ROMANCE, 2015, the results of the investigation and the appeal of the Prosecutor of the Third Division of Procedural Guidance of the First Department of Organisation and Procedural Guidance in Criminal Proceedings of the State Bureau of Investigation of the Department of Organisation and Procedural Guidance of Pre-trial Investigation of the State Bureau of Investigation, Supervision of its Operational Units and supported by the

No. 463/1712/22, according to which the property of a non-resident legal entity LANELIA HOLDINGS LTD, namely the vessel (yacht) ROYAL ROMANCE, built in 2015, was transferred to the ARMA for sale.

Noted that more detailed characteristics of the asset will be published on the official ARMA website.

In addition, a letter from the Prosecutor General's Office dated 29.08.2022 provided ARMA with a copy of the decision of the District Court of Split, no: Kir-414/2022 dated 23.05.2022, and a copy of the decision of the District Court of Split, no: Kv-II-220/2022 dated 26.05.2022, on the basis of which the court ruled that the vessel was transferred to ARMA after the confiscation.

During the speech, the Commission Secretary, S. Hurynenko, demonstrated and provided all the Commission members with the relevant court decisions..

LISTENED TO: Commission member Serhii Dolnyi, who informed that ARMA, through the introduction of amendments by Regulation of the Cabinet of Ministers of Ukraine No. 1250 dated 14.11.2023, to the Regulations of the Cabinet of Ministers of Ukraine "On Selection of Legal Entities for Sale of Seized Assets on a Competitive Basis" No. 558 dated 09.08.2017 and "On Approval of the Procedure for Sale of Seized Assets at Electronic Auctions" No. 719 dated 27.09.2017.

Noted that for the first time in the history of Ukraine, a mechanism for the sale of assets seized in criminal proceedings through the Prozorro.Sale system was implemented. The competition for the sale of movable seized assets located abroad and transferred to ARMA for sale, in accordance with the Government's decision, is subject to the approval of the Cabinet of Ministers of Ukraine. Fulfilling the requirement of the Regulation of the Cabinet of Ministers of Ukraine of 14 February 2024, ARMA sent a letter to the Cabinet of Ministers of Ukraine to obtain the said approval. The Cabinet of Ministers of Ukraine approved ARMA's sale of the asset and sent a relevant statement from the Protocol of the meeting of the Cabinet of Ministers of Ukraine dated 16.02.2024 No. 20.

During his speech, the Secretary of the Commission, S. Hurynenko, acquainted all members of the Commission with the statement of the meeting protocol of the Cabinet of Ministers of Ukraine dated 16.02.2024 No. 20.

LISTENED TO: Deputy Chairman of the Commission, Mr Stanislav PETROV, who noted that in accordance with the requirements of the Law on ARMA, the Asset Management Department of ARMA took a number of measures to ensure that there are no encumbrances or restrictions on the sale of the vessel ROYAL ROMANCE.

Informed that ARMA has also officially received documents from the Republic of Croatia confirming the absence of any encumbrances and restrictions that could prevent ARMA from selling the asset.

In addition, he noted that, according to the Main Investigation Department of the Security Service of Ukraine, the senior investigator of the interagency investigation group in the relevant criminal proceedings reported the absence of any requested

information on the sale and purchase of the asset, which in turn became an additional reason to initiate a public competition for the selection of legal entities to sell the seized assets on a competitive basis and to adopt the relevant order of ARMA dated 15.03.2024 No. 115 announcing the start of the sale of the seized asset located abroad - the yacht ROYAL ROMANCE.

LISTENED TO: Serhiy HURINENKO, the Commission Secretary, who said that according to the technical specifications, the ROYAL ROMANCE is more than 92 metres long and almost 29 metres high, and is located at the berth of the Adria Docks shipyard in the city of Trogir, Republic of Croatia.

He informed that the vessel was designed and built by leading Netherlands companies and consists of 6 floors and has 2 lifts. On the 6th floor, there is a cinema with furniture, kitchen and other decoration, and on the 6th floor there is an open deck for guests to relax.

On the 5th floor there is a room equipped for wine storage (wine fridge), a living room (guest lounge) with a deck. Also on the 5th floor is the captain's deck.

On the 4th floor there are 2 bathrooms, an owner's stateroom, 2 dressing rooms, an office with furniture, a library with books, a children's room, a living room with furniture (a lounge).

On the 3rd floor there are 4 bathrooms, 4 dressing rooms, 4 bedrooms, 3 staterooms and a separate toilet room, a living room (dining room) with table and chairs for 20 people, a lounge with upholstered furniture. Also on the third floor is the main deck (owner's deck).

On the 2nd floor there is a gym with a bathroom, a sauna - spazone, a hammam, a beauty room with LPG equipment, 2 node rooms and two compartments with two spare boats.

On the 1st floor there is an engine room with 2 diesel engines totalling over 6000 horsepower and 3 generators, a separate room, a kitchen with equipment, a dining room for the crew, 11 crew lounges, an anchor compartment, a compartment for 2 jet skis, a rescue inflatable boat, and a generator for emergencies. The yacht is also equipped with a swimming pool located on the same floor.

On the ground floor there is a laundry room, refrigeration equipment, utility rooms, a fire prevention system, a control room for elevators, compressors, cold and hot water. Concluding the brief description, he also noted that the vessel's fuel tanks have a capacity of 200 tonnes of fuel, which makes it possible to sail without refuelling for up to two weeks.

The detailed description and characteristics of the Asset will be posted on ARMA's website in the section " Competition Commission for the Sale of Seized Assets" in the subsection "Decisions on the announcement of tenders".

LISTENED TO: KATAMADZE Grigol, Chairman of the Commission, informed that detailed information on the auction lot will be posted on the ARMA's official website in the News section or in the section "Competition Commission for the Sale of Seized Assets" in the subsection "Decisions on the announcement of competitions".

Put up for vote the approval of the Announcement on holding a competition for the selection of legal entities that will sell the seized assets, namely the property of a non-resident legal entity LANELIA HOLDINGS LTD, namely the vessel (yacht) ROYAL ROMANCE, 2015, IMO: 1012268.

DECIDED: to approve the Announcement on holding competitions (competitive selection of legal entities that will sell the seized assets), which is attached.

VOTED ON:

Katamadze G. – «yes»

Petrov S. - «yes»

Hurynenko S. - «yes»

Dolnyi S. - «yes»

Velem R. - «yes»

«yes»- 5; against - none; abstained - none.

The decision was adopted.

Regarding question №3

LISTENED TO: The Chairman of the Commission, Mr Grigol KATAMADZE, who proposed to approve the publication of the Announcement on the competition (competitive selection of legal entities that will sell movable seized assets located abroad) and noted that in accordance with paragraph 7 of the Procedure for the selection on a competitive basis of legal entities that will sell seized assets dated 09.08.2017 No. 558 (as amended), the decisions of the Commission are published on the official website of the ARMA not later than the next business day after the relevant meeting.

The announcement on the selection of legal entities engaged in the sale of seized assets on a competitive basis will be published on the official ARMA website on 21.03.2024.

DECIDED: to approve the publication of the Announcement on holding competitions (competitive selection of legal entities that will carry out the sale of a movable seized assets located abroad in the city of Trogir, Republic of Croatia.

VOTED ON:

Katamadze G. – «yes»

Petrov S. - «yes»

Hurynenko S. - «yes»

Dolnyi S. - «yes»

Velem R. - «yes»

«yes»- 5; against - none; abstentions - none.

The decision was adopted.

LISTENED TO: The Chairman of the Commission, Grigol KATAMADZE, who noted that in accordance with the requirements of the Procedure, the Announcement must specify the date of the Commission Meeting to review the documents submitted by the participants, indicating the possibility of participation of the participant's representative in the relevant meeting. He emphasised that the participants of the competition complied with the requirements of paragraphs 15, 16, 19-22 of the Procedure for selecting legal entities that will sell seized assets on a competitive basis, and also noted that the deadline for receiving documents from the participants will be 18.04.2024, and the announcement of the results of the competition will take place on 23.04.2024.

No other proposals were received from the Commission members.

DECIDED: To set the deadline for receiving documents from the participants is **18.04.2024** and the date of the meeting of the Commission for Review of Documents is **23.04.2024**.

VOTED ON:

Katamadze G. – «yes»

Petrov S. - «yes»

Hurynenko S. - «yes»

Dolnyi S. - «yes»

Velem R. - «yes»

«yes»- 5; against - none; abstained - none.

The decision was adopted.

LISTENED TO: The Chairman of the Commission, Grigol KATAMADZE, who announced that the agenda issues had been exhausted and proposed to close the meeting of the Commission, said that no other proposals for consideration of agenda issues No. 4 and No. 5 had been received.

DECIDED: to close the meeting of the commission for competitive selection of legal entities engaged in the sale of seized assets.

VOTED ON:

Katamadze G. – «yes»

Petrov S. - «yes»

Hurynenko S. - «yes»

Dolnyi S. - «yes»

Velem R. - «yes»

«yes»- 5; against - none; abstained - none.

The decision was adopted.

Chairman of the Commission

Grigol KATAMADZE

20.03.2024

Deputy Chairman of the Commission

Stanislav PETROV

20.03.2024

Commission Secretary

Serhii HURYNENKO

20.03.2024

Commission member

Ruslan VELEM

20.03.2024

Commission member

Serhii DOLNYI

20.03.2024