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According to Article 38 of the Law on privatization ("Official Gazette RS", no. 38/01, 18/03, 45/05 and 123/07), Law on the Share Fund ("Official Gazette RS" no. 38/01 and 45/05), Law on the Privatization Agency ("Official Gazette RS" 38/01, 135/04) and Article 9 of the Decree on sale of capital and assets by public auction ("Official Gazette RS" no. 52/05, 91/07), Privatization Agency and Share Fund announce:

## PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTION

### Basic data on auction sale

Privatization Agency and Share Fund offer the stake of the Share Fund of the Republic of Serbia in capital of the enterprise **RASVETA IZGRADNJA I ODRŽAVANJE ELEKTROENERGETSKIH OBJEKATA, SIGNALIZACIONE I KOMUNALNE OPREME, D.O.O.**, which is **1,58%** of the total entity capital.

Interested parties can purchase the auction documents at the price of: **RSD 15.000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory. After the payment evidence has been submitted, the auction documents can be collected at the following address:

Privatization Agency, Belgrade, Terazije St. 23, 5<sup>th</sup> floor, from 09:00 to 16:30, in the period from 08.10.2008 until 22.10.2008.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 23.10.2008, BY 16:30.**

Completed application, which is a part of the auction documents, with the signed draft SPA and the deposit payment evidence, is to be submitted in a sealed envelope marked with: „APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 311008 A, Privatization Agency, Belgrade, Terazije 23, 5<sup>th</sup> floor”.

IF THERE IS NAME OF THE COMPANY WHOSE STAKES ARE THE SUBJECT OF SALE ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

**THE AUCTION WILL BE HELD ON: 31.10.2008**

at the address: **Privatization Agency, Belgrade, Terazije 23, 2<sup>nd</sup> floor, Large Hall, at 11.00 часова**. Registration of the auction participants will be held at the same address on: **31.10.2008, from 09.00 to 10.50.**

**Means of payment** can be in domestic currency and foreign convertible currency. Declared buyer cannot pay the selling price in installments.

Deposit for participation in the auction amounts to 50% of the initial price of the stake, and can be paid in money or by submitting the first-class bank guarantee.

The deposit is to be paid into the account of the Privatization Agency, number: 840-1327721-76, call upon number 311008-A-1989.

In case the first-class bank guarantee has been submitted as means of deposit payment security, it has to be payable within 48 hours after declaration a buyer at the auction.

After signing of the SPA, the buyer shall, at the latest within 3 weekdays following the signing date of the SPA, pay in to the Share Fund the selling price from the SPA, reduced for the deposited amount, i.e. the total selling price if the buyer has submitted the bank-guarantee for the deposit coverage.

Deposit for participation in the public auction is to be returned to the participants not having been declared a buyer within 8 days following the date of the public auction, except to the participant who has bid the second-ranked offer. Privatization Agency keeps the right to change the auction date and the deadline for the application submission if necessary, but also to inform the interested parties about such changes, if any, until the auction date at the latest.

\* *The deposited amount, expressed in EUR, was calculated according to the official exchange rate as of 06.10.2008.*

### Brief description of the PUBLIC AUCTION procedure

The sale of stake by the public auction is carried out by the Auction commission which is established by the Privatization Agency and Share Fund. The Commission supervises the sale by auction, registers auction participants, declares auction unsuccessful, signs the minutes and carries out other activities important for auction performance in accordance with the Law. The conditions for auction to be carried out have been fulfilled, if at least one person has obtained the status of an auction participant and if it is presented personally or by an authorized representative. At the time ordered for the PUBLIC AUCTION opening, the auctioneer shall open the bidding.

If there is more than one person at the bidding, the auctioneer shall announce the initial price, as well as each further increase. In case none of the interested buyers reacts after the third call for acceptance of the newly established price, the auctioneer declares the auction finished by hammering. The selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If there have not been interested parties after the announcement of the initial price, even after the third call, the auction is declared unsuccessful and participants lose the right to be returned the deposit.

If only one party who has obtained the auction participant status attends the bidding, that party is invited three times to accept the initial price. If the party accepts the initial price, it is declared a buyer and the initial price becomes at the same time the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful and it loses the right to be returned the deposit.

**1) Basic information for the enterprise RASVETA Izgradnja i održavanje elektroenergetskih objekata, signalizacije i komunalne opreme, d.o.o. (Limited liability company for construction and maintenance of power facilities, signaling and municipal equipment) , SUBOTICA, Trg Lazara Nešića 9/a**

Auction sale code: **311008-A-1989**

Official ID number of the entity: **08220018**

Field of work: **Building of roads, runways, etc.**

**Deposit** for participation in the auction amounts to: **RSD 698.500** or \***EUR 8.999**

**Initial price** at the auction sale amount to: **RSD 1.397.000**

<b>Balance sheet per year:</b>	<b>2006</b>	<b>2007</b>
Shown in:	RSD (000)	RSD (000)
Total operating revenues	59.728	76.832
Total operating expenses	52.230	62.715