

According to the Decision of the Ivo Lola Ribar Sistem a.d. Beograd u restrukturiranju, (Joint-stock company in restructuring) 2 Jugoslovenska St. (hereinafter: Lola Sistem a.d.) no. 166 dated 23 February 2007, the Decision of the Privatization Agency of the Republic of Serbia on approval of the Restructuring Program of the Lola Sistem no. R-01/OD dated 03 January 2007, the Agreement on the Power of Attorney no. II, Cert.no. 268/07 closed on 07 March 2007 in Belgrade between Lola Sistem a.d. as the Ordering Party and the Privatization Agency of the Republic of Serbia, as the Holder of Power of Attorney,

**Privatization Agency of the Republic of Serbia announces:**

### **PUBLIC INVITATION**

#### **FOR PARTICIPATION IN THE PUBLIC BIDDING FOR PURCHASE OF A PART OF ASSETS OF THE LOLA SISTEM A.D. BELGRADE USED BY THE PROFITNI CENTAR (PROFIT CENTER) LOLA PROCESNA OPREMA I MAŠINE (LOLA PROCESSING EQUIPMENT AND MACHINES),**

#### **1. Subject of sale**

**Sale Code: R - 180407- 034**

Subject of sale is a part of the immovable and movable properties owned by the Lola Sistem a.d., used by the Profit Center "Lola Procesna oprema i mašine (Lola Processing Equipment and Machines), i.e:

- a) Production plant with annexe (I stage), area of which is 8.556,15 m<sup>2</sup>
- b) II stage of the Machine and equipment plant, area of which is 6.915,40 m<sup>2</sup>
- c) Annexe II - Machine and equipment plant, area of which is 3.047,04 m<sup>2</sup>
- d) Production field „M-16“, area of which is 3.309,40 m<sup>2</sup>
- e) Machine shop annexe, area of which is 704,00 m<sup>2</sup>
- f) Sand quarry, area of which is 111,90 m<sup>2</sup>
- g) Equipment, according to the Specification stated in the Register of the movable and immovable properties
- h) Technological documentation.

The immovable and movable properties are offered for sale as found, without further complaints.

#### **2. Mandatory requirements of sale**

- Initial price for a part of the immovable and movable properties amounts to RSD 283.712.880,00 (In letters: two hundred eighty three million seven hundred and twelve thousand eight hundred eighty);
- Deposit amounts to RSD 28.371.288,00 (In letters: twenty eight million three hundred seventy one thousand and two hundred eighty eight);
- If a buyer is a foreign legal entity or individual, he is to pay in the deposit in EUR, according to the Instructions submitted by the Privatization Agency;
- A buyer fully accepts rights and obligations established by the final version of the Sales-Purchase Agreement for a part of the immovable and movable properties of the Lola Sistem used by the Profit Center "Lola Processing equipment and machines", which is shown in the Appendix to the selling documents.

### **3. Participation requirements**

A buyer of a part of the immovable and movable properties cannot be: 1) domestic legal entity operating with the major socially-owned capital; 2) a legal entity and individual which has due, but not settled liabilities towards the Seller and 3) related companies of the Seller. Such applications shall be rejected without consideration.

As a Bidder can apply enterprise, individual investor, Consortium consisted of enterprises and/or individual investors (hereinafter: »Consortium«). One of the members of a Consortium, i.e. a person authorized by a Consortium has to be specified to represent a Consortium (hereinafter: the authorized Representative of the Consortium) and to act on behalf of and for the account of a Consortium.

### **4. Selling documents**

Those who are interested can purchase selling documents at the price of **RSD 40.000,00** (forty thousand), after receipt of invoice from the Privatization Agency. Purchase of the documents for the Public Bidding is obligatory, and on their collection one is to sign the Confidentiality Agreement.

After the payment evidence has been submitted, the Public Bidding documents can be collected at the following address: Privatization Agency of the Republic of Serbia, Auction Center, 23 Terazije St, 5<sup>th</sup> floor, office 511, from 09:00 to 17:00 in period from 09 March until 10 April 2007.

Those who are interested, after they have purchased the Bidding Documents, will be enabled to visit the Profit Center Lola Processing Equipment and Machines and the property which is in use by this Profit Center, at the address Belgrade, 2 Jugoslovenska St., contact person Srđan Mandić, on working days from 09:00 – 15:00. Phone number: 011 2571 421.

### **5. Submission of applications for participation in the Public Bidding**

Deadline for submission of applications is 11 April 2007, at 12:00.

The application must contain data given in the Instructions to Bidders, which are an integral part of the documents, deposit payment evidence and the account number for return of the deposit.

Filled application, which is a part of the Public Bidding documents, with the signed Draft SPA, initialed on each page and deposit payment evidence, is to be submitted in a sealed envelope with the inscription: APPLICATION FOR PARTICIPATION IN THE PUBLIC BIDDING R-180407, Privatization Agency, Belgrade, 23 Terazije St.

The Commission for sale of shares will inform all applicants on approval of their applications at the latest until one working day prior to the date of the Public Bidding performance.

Prior to submission of application, a participant is obliged to pay in the deposit, or to submit the first-class bank guarantee, to the account and for the benefit of the Privatization Agency, to the amount of RSD 28.371.288,00 (In letters: twenty eight million three hundred seventy one thousand and two hundred eighty eight). The deposit is to be paid in as follows:

- Beneficiary: Privatization Agency of the Republic of Serbia, 23 Terazije St., Belgrade
- Account number: 840-1332721-14
- Transfer basis: Sales and purchase of a part of the immovable and movable properties of the Lola Sistem a.d., which is used by the Profit Center "Lola Processing equipment and machines" owned by «Ivo Lola Ribar Sistem» a.d. Belgrade in restructuring.

#### **6. Public Bidding performance:**

Public Bidding will be held on 18 April 2007, at 11:00, at the Privatization Agency, Belgrade, 23 Terazije St., Belgrade, Large Hall on the second floor.

Registration of participants in the Public Bidding shall start one hour prior to the Public Bidding, and shall be finished ten minutes prior to the Public Bidding, i.e. from 10:00 to 10:50. The methods of the Public Bidding performance and conclusion of the Sales and Purchase Agreement are explained in detail in the Instructions to Bidders, which are an integral part of the documents.

The deposit is to be returned to all the participants not having been declared buyers within the period provided in the Instructions to Bidders, which are an integral part of the documents.

The participant with the best offer, which is declared a buyer, will have the deposited sum calculated in the purchase price, and in case of its waiving, the deposit is to be retained.

#### **Privatization Agency of the Republic of Serbia**

Auction Center

Jelena Dančević, Project Manager

23/V Terazije St.

11000 Belgrade, Serbia

phone numbers: +381-11-30-20-845; +381-11-30-20-803

fax: +381-11-30-29-985