

Pursuant to the Decision of Ivo Lola Ribar Sistem a.d. Beograd in restructuring, Jugoslovenska br. 2 (hereinafter: Lola Sistem a.d.) no. 22 dated 16.01.2008, the Decision of Serbian Privatization Agency on accepting the Restructuring Program in Lola Sistem no.R-01/OD dated 03.01.2007, Contract of Power of Attorney II Cer. no. 149/08 concluded on 29.01.2008 in Belgrade between Lola Sistem a.d. as a Principal, and the Serbian Privatization Agency, as a Holder of Power of Attorney, the Privatization Agency announces

**PUBLIC INVITATION FOR PARTICIPATION IN THE PUBLIC BIDDING FOR  
PURCHASE OF A PART OF THE REAL ESTATE AND MOVABLE PROPERTY OF LOLA  
SISTEM AD BEOGRAD – ANNEX OF THE HOTEL WITH RELATED LAND AND  
EQUIPMENT  
Sale Code: R- 130608- 3026**

### **1. Subject of Sale**

The subject of sale is a part of the real estate and movable property owned by Lola Sistem a.d. – Annex of the hotel with related land equipment:

- a) State-owned land which Lola Sistem a.d has the right to use:
  1. Cad. lot 1509/2 occupying the area of 1.840 m<sup>2</sup>, ZKUL 742, KO Železnik, out of which it uses a part of the cad. lot. in the area of 1.458 m<sup>2</sup>;
  2. Cad. lot 1536/1 occupying the area of 1.730 m<sup>2</sup>, ZKUL 1035, KO Železnik, out of which it uses a part of the cad. lot. in the area of 889 m<sup>2</sup>;
  3. Cad. lot 1536/4 occupying the area of 320 m<sup>2</sup>, ZKUL 1035, KO Železnik.
- b) State-owned land whose registered users are natural persons, while Lola Sistem a.d. is a non-registered user:
  1. A part of the cad. lot 1536/2 occupying the area of 525 m<sup>2</sup>, ZKUL 407, KO Železnik;
  2. A part of the cad. lot 1536/3 occupying the area of 859 m<sup>2</sup>, ZKUL 513, KO Železnik.
- v) Annex of the hotel in the area of 766.58 m<sup>2</sup>, which is located in the parts of the cad. lots 1536/1 and 1536/3, whose non-registered user is Lola Sistem a.d.;
- g) Equipment, according to the Specification given in the Movable Property List.

The real estate and movable property are on sale as seen, without possibility of later complaints.

### **2. Mandatory Terms of Sale**

- Initial price for the part of real estate and movable property amounts to RSD 25.699.417,00 (twenty-five million six hundred and ninety-nine thousand four hundred and seventeen dinars)
- Deposit amounts to RSD 2.569.941,00 (two million five hundred and sixty-nine thousand nine hundred and forty-one dinars);
- If the buyer is a foreign legal entity or natural person, the deposit is to be paid in EURO, in accordance with the instructions from the Privatization Agency;
- The buyer fully accepts the rights and obligations provided by the final text of the Agreement on sale and purchase of the part of real estate and movable property of Lola Sistem – Annex of the hotel with related land equipment, given in the Appendix of the Sale Documents.

### **3. Participation Requirements**

Purchaser of the share and assets cannot be: 1) domestic legal entity with major socially-owned capital; 2) legal entities and natural persons having due but unsettled liabilities towards the Seller, 3) the person with whom the Contract on Sale of Capital and Assets has been terminated due to unsettled contractual obligations and 4) individual who was sentenced or against whom the criminal action has been brought for the offences defined by the Article 12 of the Privatization Law (Official Gazette RS 123/07). Such applications shall be rejected.

The bidding participant may also be a consortium of domestic and/or foreign legal entities and/or individuals (hereinafter: Consortium). The Consortium Agreement shall give authorization to one Consortium member to represent the Consortium (hereinafter: Authorized representative of the Consortium) and to act on behalf and for the Consortium.

#### **4. Public Bidding Documents**

Interested parties can purchase the sale documents at the price of RSD 40.000,00 after the invoice has been issued by the Privatization Agency. Purchase of the Public Bidding Documents is obligatory, and upon its collecting one shall sign the Confidentiality Agreement.

Upon submitting the payment evidence, the sale documents can be collected at the following address: Privatization Agency of the Republic of Serbia, Auction Center, 5<sup>th</sup> floor, Belgrade, 23 Terazije Street, 9:00-16:30, from 19.05.2008 to 04.06.2008.

After the purchase of the public bidding documents, the potential buyers can visit the assets on sale, at the following address: Belgrade, 2 Jugoslovenska Street, contact person Slobodan Jakšić, every weekday from 9:00 to 15:00. Contact telephone is as follows: +381 11-2577-545.

#### **5. Submission of applications for participation in the public bidding**

The Deadline for submission of applications is 05.06.2008 at 16:30.

The application has to contain the data given in the Instructions to Participants in Public Bidding, which are an integral part of the bidding documents, deposit payment evidence and number of account for returning the deposit.

Filled application which is a part of the bidding documents, with signed Draft Sales and Purchase Agreement, initialed on each page, and deposit payment evidence shall be submitted in a sealed envelope marked with the following:

APPLICATION FOR PARTICIPATION IN PUBLIC BIDDING  
R-130608,  
Privatization Agency, 23 Terazije St., Belgrade

The Committee for conduct of the public bidding shall inform the applicants about the approval of their applications no later than one weekday prior to the date of the public bidding.

Prior to the submission of applications for participation, a participant is obliged to pay deposit, or submit first-class bank guarantee, in the account of and for the Privatization Agency, at the amount of 2.569.941,00 (two million five hundred and sixty-nine thousand nine hundred and forty-one dinars). The deposit shall be paid in the following way:

- Beneficiary: Serbian Privatization Agency, 23 Terazije Street, Belgrade
- Number of Account: 840-1327721-76
- Transfer Basis: Purchase and sale of real estate and movable property of Lola Sistem a.d. – Annex of the hotel with related land equipment

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

The public bidding will be held on 13.06.2008 at 14:00, at the Privatization Agency, 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 13:00 to 13:50.

The method of a public bidding and conclusion of the Sales and Purchase Agreement are explained in detail in the Instructions to Participants, which are an integral part of the documents.

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

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

**Privatization Agency**

**Republic of Serbia**

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