

Pursuant to the Decision of Ivo Lola Ribar Sistem a.d. Beograd in restructuring, Jugoslovenska br. 2 (hereinafter: Lola Sistem a.d.) no. 21 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. 150/08 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 – TRANSPORT SYSTEM WITH RELATED LAND AND
EQUIPMENT
Sale Code: R- 130608- 3028**

1. Subject of Sale

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

a) State-owned land which Lola Sistem a.d. has the right to use:

1. Cadastre lot 2535 in the area of 161 m², ZKUL 762, KO Železnik, out of which it uses a part of the cad. lot in the area of 100 m²;
2. Cadastre lot 2537/1 in the area of 624 m², ZKUL 832, KO Železnik, out of which it uses a part of the cad. lot in the area of 254 m²;
3. Cadastre lot 2627/1 in the area of 3.468 m², ZKUL 833, KO Železnik, out of which it uses a part of the cad. lot in the area of 3.159 m²;
4. Cadastre lot 2627/2 in the area of 260 m², ZKUL 833, KO Železnik, out of which it uses a part of the cad. lot in the area of 203 m²;
5. Cadastre lot 2629/1 in the area of 3.957 m², ZKUL 833, KO Železnik, out of which it uses a part of the cad. lot in the area of 3.543 m² ;
6. Cadastre lot 2629/2 in the area of 885 m², ZKUL 833, KO Železnik, out of which it uses a part of the cad. lot in the area of 307 m²;
7. Cadastre lot 2630/1 in the area of 2.644 m², ZKUL 770, KO Železnik, out of which it uses a part of the cad. lot in the area of 2.453 m²;
8. Cadastre lot 2633/1 in the area of 890 m², ZKUL 738, KO Železnik;
9. Cadastre lot 2633/2 in the area of 871 m², ZKUL 917, KO Železnik, out of which it uses a part of the cad. lot in the area of 795 m²;
10. Cadastre lot 2634/1 in the area of 2.670 m², ZKUL 2908, KO Železnik, out of which it uses a part of the cad. lot in the area of 2.482 m²;

b) State-owned land whose registered users are individuals, while Lola Sistem a.d. is a non-registered user:

1. A part of the cadastre lot 2628/1 in the area of 461 m², ZKUL 1034, KO Železnik;
2. Cadastre lot 2631/1 in the area of 1.091 m², ZKUL 584, KO Železnik;
3. A part of the cadastre lot 2632/1 in the area of 1.202 m², ZKUL 584, KO Železnik;
4. A part of the cadastre lot 2635/1 in the area of 2.712 m², ZKUL 182, KO Železnik;
5. A part of the cadastre lot 2636/2 in the area of 425 m², ZKUL 579, KO Železnik;

6. A part of the cadastre lot 2636/1 in the area of 1.204 m², ZKUL 1481, KO Železnik;
- v) State-owned land – a part of the cadastre lot 893/1 in the area of 572 m², ZKUL 723, KO Železnik, whose registered user is Railways Ministry FNRJ, while Lola Sistem a.d. is a non-registered user;
- g) Civil engineering and building construction facilities whose non-registered user is Lola Sistem a.d.:
 1. Garage with a service „Transport“, in the area of 999,44 m², which is on a part of the cad. lots 2630/1, 2631/1, 2632/1, 2633/1 and 2633/2, for which there is an appropriate permission for use and building;
 2. Fuel supply station, in the area of 201,25 m², which is on the parts of the cad. lots 2627/1 and 2629/1, for which it possesses a licence for use and building;
 3. Prefabricated-dismantling facility, in the area of 200,06 m which is on the parts of the cad. lots 2629/1 and 2630/1;
 4. Concrete plateaus with roads and parking lots of Transport system, in the area of 587,50 m², which are on the parts of the cad. lots 2627/1, 2628/1, 2629/1, 2630/1 and 2631/1, for which it possesses a licence for use and building;
- d) 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 26.997.046,00 (twenty-six million nine hundred and ninety-seven thousand forty-six dinars).
- Deposit amounts to RSD 2.699.704,00 (two million six hundred and ninety-nine thousand seven hundred and four 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 received 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 – Transport system with related land and 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, 5th 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 2.699.704,00 (two million six hundred and ninety-nine thousand seven hundred and four 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. - Transport system with related land and 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.

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