

In accordance with the Decision of the Management Board of the Limited liability Company «Fabrika lak žice», Bor on acceptance of the Restructuring program no.119 dated August 9, 2006, virtue of the Decision on the Acceptance of the Restructuring Program R-145/06-OD adopted by the Privatization Agency on August 17, 2006, Decision of the Management Board of the Limited Liability Company «Fabrika lak žice», Bor on the sale of the assets by public bidding no. 120 dated August 9, 2006 and Representation Contract no. II/1 Ov. no. 1498/06 dated August 23, 2006 between Limited liability Company «Fabrika lak žice», Bor as an ordering party and Privatization Agency of Republic of Serbia as an attorney, Privatization Agency of the Republic of Serbia announces:

## **PUBLIC INVITATION**

### **FOR PARTICIPATION IN THE PUBLIC BIDDING**

FOR THE PURCHASE OF THE ASSETS OF LIMITED LIABILITY COMPANY  
«FABRIKA LAK ŽICE» BOR  
**Sales code: P-161106-030**

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

Subject of sale is real estate of Limited liability Company «Fabrika lak žice», Bor with total area of 34.852 m<sup>2</sup>.

The foregoing real estate has been constructed on the land used by of Limited liability Company «Fabrika lak žice», Bor with total area of 29 ha 80 a 57 m<sup>2</sup>.

A subject of the sale is also movable property – the equipment, in accordance with the specification presented on the list of movable property which is an integral part of the bidding documentation.

Real estate and movables are sold as found, without any possibility for further complaints.

#### **2. Bidding documentation**

The interested parties can purchase the bidding documentation at the price of CSD 40.000,00, after the invoice has been received from the Privatization Agency. The purchase of the public bidding documentation is obligatory, and on its receipt one is to sign Confidentiality Agreement. After the payment evidence has been submitted, the public bidding documentation can be collected at the following address: Privatization Agency, Auction Center, 23 Terazije (5th) floor, 11000 Belgrade, 10:00 – 17:00, from October 9, 2006 to November 9, 2006.

### **3. Initial price**

**Initial sale price** at the public bidding determined for the real estate and equipment of Limited liability Company «Fabrika lak žice», Bor is **CSD 486.852.049,00** (four hundred eighty six million eight hundred fifty two thousand fourty nine dinars).

### **4. Requirements for buyers**

The declared buyer is to take on the obligations in accordance with Sales and Purchase Agreement which is the integral part of the bidding documentation.

By submitting the application, the participant fully accepts all the requirements presented in the Instructions to Participants, which is the integral part of the bidding documentation.

### **5. Participant Requirements**

All individuals and legal entities have the right to participate in the public bidding, with limitations mentioned in the Instructions to Participants, if they pay the deposit amounting to **CSD 48.685.205,00** (fourty eight million six hundred eighty five thousand two hundred five dinars), i.e. 10% of the initial sales price, or if they submit the first-class bank guarantee at the same amount in accordance with the Instructions to Participants.

In case that first-class bank guarantee has been submitted as the means of payment, it has to be payable within 48 hours after the buyer has been declared at the public bidding.

### **6. Due Dilligence Procedure**

Having signed the Confidentiality Agreement and purchased the bidding documentation, the potential participant will be able to visit the assets of the «Fabrika lak žice» Bor d.o.o, have meetings with the persons in charge and check financial, commercial and legal data. If the potential participant decides to participate in the public bidding, he is to pay the deposit or submit first-class (irrevocable) bank guarantee, as well as to submit the Application for Participation, as it is described in the Instructions to Participants.

### **7. Submission of Applications the Participation in the Public Bidding**

The deadline for the submission of the applications is November 9, 2006 at 17:00. Applications are to be submitted directly to the Privatization Agency, in a sealed envelope with the following inscription:

APPLICATION FOR PARTICIPATION IN THE PUBLIC BIDDING P-161106  
Privatization Agency of the Republic of Serbia  
Auction Center  
23/V Terazije St, 11000 Belgrade

If there is the name of the entity undergoing the sale on the envelope or the full sale code, the application can be rejected. Application for participation in the Public Bidding is to be filled out in a separate form, which is the integral part of the bidding documents and it has to contain the data presented in the Instructions to Participants, deposit payment evidence and the number of account for returning the deposit. Incomplete and belated applications shall not be taken into consideration. The Commission for Public Sale Implementation shall inform the applicants for participation in the Public Bidding on approval of their applications until two working days at the latest prior the Public Bidding date.

## **8. Public Bidding Performance**

Public Bidding will be held on November 16, 2006 at 13:00, at the address: Privatization Agency, Belgrade, 23 Terazije Street, 2<sup>nd</sup> floor, Big Conference Room. Registration of participants in the Public Bidding will be held at the same address on November 16, 2006 from 12:00 to 12:50.

The method of Public Bidding performance and Conclusion of the Sales and Purchase Agreement is described in detail in the Instruction to Participants which are the integral part of the Bidding Documentation.

Deposit is to be returned to the participants not to be declared a purchaser, within the period stipulated in the Instruction to Participants.

The amount deposited by the participant who is the first to bid the highest offer and who is declared a buyer is to be calculated in the purchase price; the declared buyer is obliged to pay the margin between the deposited amount and final purchase price at the bidding to the account of the Privatization Agency, in CSD, pursuant to the provisions of the Sales and Purchase Agreement. In case that the Agreement has not been signed, the deposit is to be retained.

### **«Fabrika lak žice» Bor d.o.o.**

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### **Privatization Agency**

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