

Based upon the Decision of Ivo Lola Ribar Sistem a.d. Belgrade, in Restructuring, Jugoslovenska 2 (hereinafter called «Lola Sistem») no. 223/1 of 05.04.2005, and the Decision no. 1066 of 07.10.2005, the Decision of LOLA Informacione Tehnologije a.d. Belgrade, Jugoslovenska 2 (hereinafter called «Lola Informacione Tehnologije») no. 8/1 of 05.04.2005 and the Decision no. 47 of 29.09.2005, the Decisions of the Privatization Agency of RS no. 344-1005-3DS/01 of 10.05.2005 and no. 354-1005-3DS/01 of 10.05.2005, and the Contract on Power of Attorney I/3, no. 1548/05 signed on May 09, 2005 in Belgrade, between «LOLA Sistem» and «LOLA Informacione Tehnologije» as Principals, and the Privatization Agency of RS, as Agent by Contract, and Annex of the Contract on Power of Attorney, closed on 14.10.2005, the Privatization Agency announces

**PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR  
SHARE PURCHASE OF «LOLA INFORMACIONE TEHNOLOGIJE» IN THE  
ENTERPRISE «LOLA FABRIKA ELEKTROOPREME» d.o.o. OBRENOVAC AND  
THE PART OF THE IMMOVABLE/MOVABLE PROPERTY OF «IVO LOLA RIBAR  
SISTEM»**

**1. Subject of the Sale**

**Sale code: R-171105-023p**

Subject of the sale is:

1) The share of «Lola Informacione Tehnologije» the Enterprise for production of electrical equipment «Lola Fabrika elektroopreme» d.o.o. Obrenovac, Industrijska zona 6 (hereinafter called «LOLA FEOP») which value, recorded in the Register of Commercial Court in Belgrade, amounts to USD 5.000,00 in CSD counter value, thereof the amount of USD 2.500,00 in the counter value of CSD 169.849,25 was effected on March 22, 2002.

2) The part of immovable assets of «Lola Sistem», which is used by LOLA FEOP, i.e.:

- a) Plant for production of managing systems, land surface 2.447,68 m<sup>2</sup>,
- b) Plant for production of printing circuits, land surface 2.810 m<sup>2</sup>,
- c) Annex to the hall, land surface 1.272,79 m<sup>2</sup>,
- d) Porter's house, land surface 57,74 m<sup>2</sup>,
- e) Transforming station, land surface 50,64 m<sup>2</sup>,
- f) Cable warehouse and the switch-board, 500 m<sup>2</sup>,
- g) Chemicals warehouse – container, 1 m<sup>2</sup>,

with the internal road routes, land surface 4.653 m<sup>2</sup>.

Regarding the immovable assets, which are the sale subject, «Lola Sistem» is in the Register of the immovable property no. 923 of the Cadastre Municipality Urovci, booked as the usus holder on the object for production of electrical machines and equipment, land surface 6.297 m<sup>2</sup>, accessory building – land surface 75 m<sup>2</sup> and the transformer station, 59 m<sup>2</sup>, which are placed in Urovci, Industrijska zona 6 and the user of socially-owned land capacities, surface 31.616,00 m<sup>2</sup> on the cadastre parcel 1490/3 (C.M. Urovci), on which the objects are placed.

3) the part of the movable property – equipment of «Lola Sistem», which is in use at «LOLA FEOP», according to the Detailed description/Specification, stated in the List of movable and immovable property, of which is the most important as follows:

- Semi-automatic sieve machine (defective)
- Universal milling cutter
- Fork lift 2T (made in 1989)
- Reprogramming camera
- Micro-wave soldering (brazing) device (defective),
- two systems for film developing,
- Console lifting device with turning pillar,
- Passenger vehicle (Peugeot, 1991).

Immovable and movable property are to be sold as seen, without further claims.

## **2. Mandatory sales conditions**

- Share, immovable and movable assets are sold as one entity;
- Initial price for share, immovable and movable assets amounts to CSD 127.392.333,00 (In letters: one hundredtwentysevenmillionthreehundredninetwothousandthreehundredthirtythree);
- Deposit amounts to CSD 12.739.233,00 (In letters: twelvemillionsevenhundredthirtyninethousandtwohundredthirtythree);
- Buyer accepts full framework of entitlements and obligations established by the final text of the Sales-purchase agreement of the share, which is stated in the Appendix of the Sales documentation.

## **3. Participation terms**

The buyer of the share, immovable and movable property cannot be: 1) domestic legal entity which operates with the major socially-owned capital; 2) legal and natural person, which/who has due, but not settled liabilities (payables) to the Seller, and 3) subsidiaries of the Seller. Such applications shall be rejected without considering.

As a participant can apply an enterprise, individual investor or consortium consisting of enterprises and/or individual investors ("Consortium"). One of Consortium members, i.e., the person/entity authorized by the Consortium, must be assigned to represent the Consortium ("authorized representative of the Consortium") and to act on behalf of the Consortium.

## **4. Sales documentation**

Those who are interested can purchase the bidding documentation at the price of CSD 25.000,00 after the receipt of invoice by the Privatization Agency. The purchase of documentation for public bidding is obligatory, and on its receipt one is to sign the Confidentiality Agreement.

After the payment evidence has been submitted, the public bidding documentattion can be collected at the following address: Privatization Agency of RS, Auction Depatment, Terazije 23, 5<sup>th</sup> floor, room 511, from 9:00 - 17:00, in period from 18.10.2005 until 14.11.2005.

After the public bidding documentation has been collected, the interested buyers can make a visit to the assets to be sold, at the address Belgrade, Urovci, Industrijska zona

6, liaison person Ljubodrag Bilcar, on working days from 09:00-13:00. Telephone no.: 011-8754-790.

## **5. Application submission for participation in public bidding**

The closing date for application submission is 14.11.2005, at 17:00.

The application must contain the data stated in the Instruction for participants in public bidding, which is the consisting part of the documentation, deposit payment evidence and the account no. for bringing back the deposit.

Filled application as a part of the public bidding documentation, with the signed draft of the SPA, signed on every page and the deposit payment evidence, are to be submitted in a closed envelope with the inscription APPLICATION FOR PARTICIPATION IN PUBLIC BIDDING R-171105 (bidding code), Privatization Agency, Belgrade, Terazije 23.

The Sales Commission for shares, immovable and movable property shall inform all applicants on approval of their applications at the latest one working day before the holding of public bidding.

Before submission of the application, the interested participant is obliged to effect the deposit payment or to submit the first-class bank guarantee, on the account and on behalf of the Privatization Agency, in amount of CSD 12.739.233,00 (In letters: twelvemilionsevenhundredthirtyninethousandtwohundredthirtythree). The deposit is to be paid as follows:

- Beneficiary: Privatization Agency of RS, Terazije 23, Belgrade
- Account no: 840-871621-94
- Basis for transfer: Sales-purchase of shares of «Lola Informacione Tehnologije» a.d. Belgrade in LOLA FEOP d.o.o. Obrenovac and the immovable and movable property of «Ivo Lola Ribar Sistem» a.d. Belgrade, in Restructuring.

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

The public bidding is to be held on 17.11.2005, at 11:00, within the premises of the Privatization Agency, Terazije 23, Belgrade, 2nd floor, Big Hall.

The registration of the participants in the public bidding shall start two hours before opening of the public bidding, and is to end ten minutes before bidding opening, i.e. between 09:00 - 10:50.

The manner of the public bidding performance and signing of the SPA is explained into detail in the Instruction for participants, which is a consisting part of the documentation.

To all participants, who are not declared the buyers, the deposit is to be brought back within the deadlines established by the Instruction for Participants, which is the consisting part of the documentation.

To the participant to give the highest offer and to be declared a buyer, the amount of deposit is calculated into the Sales-purchase price, and in case of giving up it is to not to be brought back.

**Privatization Agency of RS**

Auction Department

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