

In accordance with Article 28 of the Law on Privatization (as published in the Official Gazette of the Republic of Serbia Nos. 38/2001 and 18/2003), **the Privatization Agency of the Republic of Serbia** hereby announces a:

### **PUBLIC INVITATION**

For participation in a public tender process  
for the acquisition of a controlling interest in:

#### **DP "VALJAONICA BAKRA", Sevojno**

Tender Code: VBS06/03

1. Total registered capital of the DP "Valjaonica bakra" is YUM 2,050,953,887.04, represented by 410.191 accounting shares, with a nominal value of YUM 5.000 (five thousand dinars) each.

The Agency offers for sale 70% of the socially-owned capital of DP Valjaonica bakra, Sevojno (hereinafter: "Entity undergoing privatization").

2. Details about the Entity undergoing privatization:

Address: Sevojno, 31205 Uzice, Serbia and Montenegro  
Phone Number: + 381 31 531 757  
Fax Number: + 381 31 515 440  
Industry: Metal industry - production of copper products  
Tender Code: VBS06/03

Basic data about the Entity undergoing privatization is available at:

[www.priv.yu/pregled\\_preduzece/preduzece\\_prospekt\\_d.php?preduzece\\_id=397](http://www.priv.yu/pregled_preduzece/preduzece_prospekt_d.php?preduzece_id=397)

Detailed information about the Entity undergoing privatization, along with the Information Memorandum and Instructions to Bidders (hereinafter "the Tender Documents"), will be made available to all buyers of the Tender Documents, upon payment of the Tender Documents Fee in the amount of EUR 5.000 (five thousand Euro), plus EUR 1.000 (one thousand Euro), for sales tax;

3. The PA has appointed **Meinl Bank Consortium ("MBC")** to act as the advisor in the privatization procedure (hereinafter: "Advisor").
4. A bid may be submitted by the potential Buyer that fulfils the following requirements:
  - has purchased the Tender Documents;
  - has evidenced at least 3 (three) years in manufacturing and/or trade activities in the metal industry;
  - had total annual revenues in excess of 50 million EUR in 2002;
  - has deposited a bid bond in the amount of EUR 250,000 (Two-hundred and fifty thousand Euro).

If the potential Buyer is a Parent company that does not meet the requirements from this clause of the Public Invitation, its subsidiary has the right to submit a bid, if it fulfils the requirements.

The Subsidiary may submit a bid if the Parent company has purchased the Tender Documents.

If the potential Buyer is a subsidiary that does not meet the requirements referred to by this clause of the Public Invitation, it has the right to submit a bid, if the Parent company fulfils those requirements.

The Parent company may submit a bid if its Subsidiary has purchased the Tender Documents.

If the potential Buyer is a consortium, the following requirements should be fulfilled:

- all Consortium members have made the decision on organizing and entering the Consortium;
  - all Consortium members have signed the Consortium Agreement which is court authenticated;
  - all Consortium members have signed the Consortium Agreement and notarized their signatures;
  - each member of the Consortium assumes unlimited joint and several liability;
  - the Consortium Agreement specifies each member's percentage in the acquired capital of the Entity undergoing privatization;
  - all Consortium members have signed Notarised Power of Attorney for the representing member of the Consortium;
  - all Consortium members have signed a Confidentiality Agreement;
  - at least one of the Consortium members has purchased the Tender Documents;
  - at least one of the Consortium members has evidenced at least 3 (three) years in manufacturing and/or trade activities in the metal industry;
  - at least one of the Consortium members had total revenues in excess of 50 (fifty) million Euro in 2002, according to the latest available audited accounts,
  - at least one of the Consortium members has submitted the Bid Bond in the amount of Euro 250.000 (two hundred and fifty thousand Euro)
5. The Agency hereby invites all interested parties to submit a written request for the purchase of the Tender Documents for the entity undergoing privatization, starting from 11<sup>th</sup> June 2003 until 18<sup>th</sup> July 2003.

The request for purchasing the Tender Documents shall be submitted to the Advisor by mail, e-mail or facsimile, at the addresses stated below, clearly marked with "Request for the purchase of Tender Documents – Tender Code VBS06/03".

Upon receiving the request, an invoice for payment of the Tender Documents Fee shall be forwarded to the authorized representative by the Privatization Agency.

Upon the payment of the Tender Documents Fee, the Confidentiality Agreement shall be sent to duly authorized representative for signature, by mail, email or facsimile. Signed Confidentiality Agreement shall be immediately faxed and mailed back to the Advisor to the addresses below.

6. Upon receipt of the signed Confidentiality Agreement and evidence of payment of the Tender Documents Fee, The Advisor shall immediately send the Tender Documents to the Tender Participant by mail, e-mail or hand it to the authorized representative.

The Advisor and the PA shall not be held liable for any loss or delay that may occur in the delivery of any document.

7. The deadline for submission of the bids for acquisition of the capital is **25<sup>th</sup> of July 2003, at 17:00 hours (Belgrade time) at the office of the Privatisation Agency of Republic of Serbia, Terazije 23, 11000 Belgrade, Serbia.**



8. The Agency reserves the right to amend the requirements and the deadlines from the Public Invitation, if necessary.
9. The Bid bond for participating in the Public Tender will be in the amount of **EUR 250,000 (Two hundred and fifty thousand euro)**
10. All communications or inquiries relating to this Invitation should be directed to the Advisor at the addresses below:

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