

In accordance with the Article 28 of the Law on Privatization ("Official Gazette of the Republic of Serbia", numbers 38/2001, 18/2003 and 45/2005)

PRIVATIZATION AGENCY
(hereinafter: "the Agency")
hereby announces:

PUBLIC INVITATION

For participation in the Public Tender
for sale of 70% of total registered capital of:
International forwarding company "Jugosped" d.p. Beograd
(hereinafter: Entity undergoing privatization)
Tender Code: **JUGOSPED 09/05**

1. The total registered capital of the Entity undergoing privatization consists of 100% socially owned capital.
2. The Agency offers for sale 70% of socially owned capital of the Entity undergoing privatization.
3. Data about the Entity undergoing privatization:
Address: 10 Terazije St, 11000 Belgrade, Republic of Serbia, Serbia and Montenegro
Phone: +381 11 36 13 517
Fax: +381 11 36 12 151
Short description of activities: **Activity of other mediators in traffic** (forwarding activities and customs declarations representation, organization and implementation of traffic, organization of transport for group shipments, issuing and obtaining transport documents)

More details about the Entity undergoing privatization are available at Internet address:

www.priv.yu/pregled_preduzeca/pdf/teaser_3333.pdf

Detailed information on the Entity undergoing privatization along with the Information Memorandum (hereinafter: Tender Documents) will be made available to all interested tender participants upon signing of the Confidentiality Agreement and payment of the Tender Documents Fee.

The Tender Documents Fee is EUR 5.000 (Euro Five thousand).

The Agency has appointed BC Consulting d.o.o. Belgrade to act as its Advisor in this privatization process (hereinafter: Consultant).

4. A bid may be submitted by:
 - A. Potential bidder that fulfils the following requirements:
 - It has purchased the Tender Documents, and
 - It fulfills one of the following conditions:
 - a) It has been engaged in the activity of other mediators in traffic (forwarding activities and customs declarations representation and/or organization and implementation of traffic and/or organization of transport for group shipments and/or issuing and obtaining

transport documents) for at least the last 3 years continually, and it achieved operating revenues of at least EUR 5.000.000 (Euro five million) in 2004;

- b) **or** it is a Financial Investor (a legal entity whose core business is investment of money that exists at least the last 3 years, and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50.000.000 (Euro fifty million) in 2004;
- c) **or** is an investor that achieved in 2004 operating revenues in excess of EUR 50.000.000 (Euro fifty million), according to the balance sheet data.

If a potential bidder is a parent company that does not fulfill the requirements of this Clause of the Public Invitation, its subsidiary has the right to submit a bid if it fulfills the stated requirements. The subsidiary has the right to submit a bid if the parent company has purchased the Tender Documents.

If a potential bidder is a subsidiary that does not fulfill the requirements of this Clause of the Public Invitation, its parent company has the right to submit a bid if it fulfills the stated requirements. The Parent company has the right to submit a bid if the subsidiary has purchased the Tender Documents.

B. If a potential bidder is a Consortium it must cumulatively fulfill the following requirements:

- All consortium members made a valid decision to form a and enter into Consortium;
- All consortium members have entered into a written Consortium Agreement and such agreement has been duly notarized with the court, or other competent body (in case of foreign legal entities and natural persons);
- Each consortium member assumes joint and several liability under the Consortium Agreement;
- Consortium Agreement specifies each member's percentage in acquisition of the capital of the Entity undergoing privatization, whereas the consortium member with the largest share in consortium must have at least 30% share in the consortium (hereinafter: Majority Consortium Member);
- All consortium members have signed a notarized power of attorney for the representing member of the consortium;
- All consortium members have signed the Confidentiality Agreement;
- At least one of the consortium members has purchased the Tender Documents;
- Majority Consortium Member fulfills one of the following requirements:
 - a) It has been engaged in the activity of other mediators in traffic (forwarding activities and customs declarations representation and/or organization and implementation of traffic and/or organization of transport for group shipments and/or issuing and obtaining transport documents) for at least the last 3 years continually, and it achieved operating revenues of at least EUR 5.000.000 (Euro five million) in 2004;
 - b) **or** it is a Financial Investor (a legal entity whose core business is investment of money that exists at least the last 3 years, and includes investment companies, mutual funds,

insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50.000.000 (Euro fifty million) in 2004;

c) **or** is an investor that achieved in 2004 operating revenues in excess of EUR 50.000.000 (Euro fifty million), according to the balance sheet data;

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, by **November 4th 2005**.

The Tender Documents will be available to interested parties from September 26th 2005.

A written request for purchasing the Tender Documents should be sent to Consultant by post, e-mail or facsimile to the address below, with clearly displayed reference "Request for purchasing the Tender Documents – Tender Code: **JUGOSPED 09/05**".

Upon receipt of the request, an invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signature, will be delivered to the Tender Participant's authorized representative by post, e-mail or facsimile. The signed Confidentiality Agreement should be immediately faxed and mailed back to Consultant at the address stated below.

Upon receipt of the signed Confidentiality Agreement and evidence of payment of the Tender Documents Fee, the Consultant will immediately forward the relevant Tender Documents to the Tender Participant by mail or hand it to its authorized representative.

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

6. The deadline for submission of the final binding offers for acquisition of 70% of socially owned capital of the Entity undergoing privatization by interested bidders is **December 2nd 2005, by 17:00h** (Belgrade time). If necessary, the Agency reserves the right to amend or change the deadlines and conditions of this Public Invitation. As a prerequisite for submitting a bid, it is necessary to pay a deposit or submit a Bid Bond in the amount of EUR 200.000 (Euro two hundred thousand).
7. All the questions relating to this Public Invitation should be directed to Consultant's representatives at the below address, in Serbian and English.

<p>BC Consulting</p> <p>Bulevar Kralja Aleksandra 24/V 11 000 Belgrade Serbia and Montenegro</p> <p>Phone/Fax: +381 11 32 35 612 Phone/Fax: +381 11 32 35 616</p> <p>Nikica Kolundzija, Director Email: nikica.kolundzija@bcconsulting.co.yu</p>	<p>BC Consulting</p> <p>Bulevar Kralja Aleksandra 24/V 11 000 Belgrade Serbia and Montenegro</p> <p>Phone/Fax: +381 11 32 35 612 Phone/Fax: +381 11 32 35 616</p> <p>Gordan Dzadzic, Project Manager Email: gordan.dzadzic@bcconsulting.co.yu</p>
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