

## NOTICE FOR DIVESTITURE OF SHARES BY THE IRANIAN PRIVATIZATION ORGANIZATION "THROUGH THE STOCK EXCHANGE"

In the execution of the Law on Amendment of Articles of 4th Economic, Social and Cultural Development Plan of the Islamic Republic of Iran and the regulations related to General Policies of Principle (44) of the Constitution, Iranian Privatization Organization is considering divesting the shares of the following company, observing other conditions stated hereunder by resorting to the OTC (Over The Counter) (the third market), with the preferred shares (if someone be eligible for it) at maximum 5 percent of the total divestible shares having been deducted:

| Name of the Company | No. of Divestible Shares   |                  | Company's Capital (million Rials) | Base Value of each Share (Rials)   | Total Base Value of Divestible Shares (Rials) | Deposit for Participating in Tender (Rials) | Conditions of Installment selling |                       | Shareholders & Percentage of their Ownership   | Company's type of activity  |
|---------------------|----------------------------|------------------|-----------------------------------|--|---|---|-----------------------------------|-----------------------|--|-----------------------------|
|                     | Divestible Shares as Block | Total Percentage |                                   |  |   |   | Percent of cash prepayment        | Payment period (year) |  |                             |
| BANK SADERAT IRAN   | 840,150,000                | 5                | 16,803,000                        | The TSE board price on the day of offering (equal to the closing price on the day before the offering date) unless it wouldn't be less than 2000 Rls | 1,680,300,000,000                             | 50,409,000,000                              | 30                                | 3                     | <ul style="list-style-type: none"> <li>• State 32.96%</li> <li>• Justice Shares 40%</li> <li>• Bank Saderat Staff 5%</li> <li>• Medical Services Insurance Organization 5%</li> <li>• Other Stockholders 17.04%</li> </ul> | Performance of Bank Affairs |

### 1. Transaction Conditions:

- 1.1. The above price is the base shares price. Undoubtedly, the highest proposed prices shall be set as the transaction price.
- 1.2. Transfer of the shares shall be carried out according to the mutual contract. Applicants may receive Agreement Model, the Power of Attorney and the application form to be drawn up at the Notary Public Offices that are available at the IPO and Iran OTC Company (for Petroleum Equipment Industries Company (PEIC)). As far as the IPO is concerned, participation in Tender means enjoying the necessary knowledge and acceptance to adhere to the contents of the same. The Purchasers are obliged to adhere to the provisions of these documents.

1.3. In case the applicants intend to purchase on installment, they must pay the cash part and the installments according to the information in the above table.

\* **Note:** In installment transactions, the interval among installments is 4 months and the interest rate of sales is equal to 50 percent (50%) of the Bank System Interest at industry and mine sector -6%-.

1.4. In installment transactions, the shares certificates equivalent the remained installment of traded shares shall be kept by the IPO as Collateral, until the payment of the shares' price is completed. At least equivalent to 50% of remaining debt of installments shall be received assurance documents.

1.5. According to Note 4, Article 20 of the Amendment Law of the Fourth Development and Implementation plan regarding the General Policies of Article 44 of the Constitution of Islamic Republic of Iran, under similar condition, the priority of purchase is bestowed upon the Cooperative Sector.

1.6. The previous purchasers of installment block shares of IPO, who have not paid their installment based upon their contract, are not allowed to purchase the shares again or to attend in the tender bid till settling the previous debt.

1.7. Monitoring mode after divesting the shares shall be according to the guideline of "monitoring mode after divesting the shares" by the divesting Board (dated 1&8 of May 2010).

1.8. The purchasers are obliged to replace the governmental guarantee issuant in proportion with the purchased shares and to pay the company's debt to the Mother Specialized Company and governmental and nongovernmental bank system, which is registered on pricing report or divestible firm's offices. Releasing the shares is based on disburse of all the subject matters and liabilities.

**Attention:**

- 1- The purchaser is obliged to observe for direct and indirect shares ownership ceiling of 10% for each public company or every nongovernmental public organization and institution and 5% for real persons and other legal persons to subject of article 5 of the Law on Amendment of Articles of 4th Plan.
- 2- The purchaser is obliged if individual didn't pay the cash part of transaction by the end of deadline, it must not have any claim on the confiscation of deposit of company in the tender and Central Securities Depository of Iran is obliged to include the mentioned deposit in the account of IPO.

## **2. Other Cases:**

- 2.1. The Envelopes containing bids shall be opened at 2 pm on Sunday (12, Dec. 2010) in the conference hall of the IPO, located in fifth floor, and the bidders or their legal representatives may participate in the event.
- 2.2. Bank Saderat Iran's shares offering will be begun since (11, Dec. 2010) through the Stock Exchange.
- 2.3. After purchase ordering, the purchasers must settle or present 3% of the base value of advertised shares (in cash or bank guarantee) to the account of Central Securities Depository (CSD) of Iran as a deposit participating in the tender to guarantee the purchasers' liabilities unconditionally.
- 2.4. In case the winner of the bid fails to pay the cash part of the transaction price and to represent the guarantee documents (in installment transactions), during the 30 working days of the notification, their deposit shall be confiscated to the IPO benefit.
- 2.5. The IPO preserves the right to accept or reject all or any of the bids.
- 2.6. The applicants undertake not to be prohibited in transactions and they must not include in the Article 24 of Law on Amendment of Articles of 4th Economic, Social and Cultural Development Plan of the Islamic Republic of Iran and Implementation of General Policies of Principle (44) of the constitution (ratified 21, July 2008) and the law of government personnel's intervention prohibition in the state and country transactions (ratified in 1958).
- 2.7. For financial information, the applicants may refer to Securities and Exchange Organization, maximum until the last hours of administrative time of Wednesday (08, Dec. 2010).

IPO Website: [www.ipo.ir](http://www.ipo.ir)