

NOTICE FOR DIVESTITURE OF SHARES BY THE IRANIAN PRIVATIZATION ORGANIZATION "THROUGH THE NEGOTIATION"

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 and on behalf of Social Security Organization, Iranian Privatization Organization is considering divesting the shares of the following firms to nongovernmental real and legal persons, observing other conditions stated hereunder through the negotiation:

Name of the firm	Firm's Size	No. of Divestible Shares				Company's Capital (million Rials)	Total Base Value of Shares in the Latest Ads (Rials)	Guarantee fee to participate in negotiations	Ownerships & Percentage	Company's type of activity	Address	Name of the Newspapers & Previous Ads Date
		Divestible Shares as Block	Preferred & Installment Shares	Total	Total Percentage							
Abadan International Transport and Marine Services Co.	Large	855,000	45,000	900,000	30	300,000	282,867,300,000	2,828,673,000	<ul style="list-style-type: none"> Government Trading Corporation of Iran 30% International Goods Inspection Co. 40% Tarigholghods Co. 30% 	Road, marine (Vessels discharging & loading) & air transportation	Km. 5 th of Fath Highway (Karaj Old Road), Tehran	Iran & JameJam 7 th July 2009 15 th July 2009 16 th Sep. 2009 23 rd Sep. 2009
International Goods Inspection Co.	Large	428	22	450	90	50	647,898,825,150	۶,۴۷۸,۹۸۸,۵۰۰	<ul style="list-style-type: none"> Government Trading Corporation of Iran 90% Islamic Republic of Iran Shipping Lines 5% Iran Insurance Co. 5% 	Independent inspection & quality control products, systems & machinery	NO 314 – Ghaem Magam Farahani St.- Motahari St.- TEHRAN	

1. Conditions & Means to Participate in Negotiation & Divesting Manner :

1.1. Individuals with cash payment will have the priority in purchasing the shares; in the case the applicants intend to purchase on installment, they must pay the cash part and the installments according to the negotiation conditions.

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

1.2. The applicants may receive the agreement forms of prohibiting revealing the information, requesting to participate in negotiation, the company's financial information and the letter of introduction to visit the firm (until 27, Sep. 2010) from IPO main office, located in Room No. 309, 3rd floor, No. 75, North Zarafshan St., Ivanak Ave., Phase 4, Shahrake Qods, Tehran.

- 1.3. The applicants must complete and deliver the application form along with the necessary documents (until 28, Sep. 2010) through the PO Box No. 14665-516 or room No. 402 located at IPO.
- 1.4. If negotiations result in agreement and after approval of Divesting Board, transfer of the shares shall be carried out according to the mutual contract. The agreement model, the power of attorney and the guideline of monitoring mode after divesting are available at the IPO. The purchasers are required to adhere to the provisions of these documents and as far as the IPO is concerned, the participation in the negotiation means enjoying the necessary knowledge and acceptance to adhere to the contents of the same.
- 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 conditions, the priority of conclusion of the contract is bestowed upon the cooperative companies.
- 1.6. In installment transactions, the shares certificates equivalent the remained installment of traded shares will be kept by the IPO as collateral, until the payment of the shares' price is completed.
- 1.7. The purchasers are charged with avoidance of some measures related to competition monopoly and limiting trade on the basis of type of the firm or divestible shares. This issue will be inserted in the divesting contract.
- 1.8. The previous purchasers of installment block shares from IPO, who have not paid their installment based upon their contract, are not allowed to purchase the shares again or to attend in the negotiation, till settling the previous debt.
- 1.9. The firms' shares will be divested at once. Thus applicants should quote to purchase both firms' shares at once.
***Attention:** The necessary documents to participate in negotiation include: a) Bank guarantee in the benefit of IPO as the security of participating in negotiation. b) To be signed agreement containing applicant's commitment to not reveal the information. c) The completed form to participate in the negotiation.

2. Preferred and Installment Shares' Conditions (if someone be eligible for it):

By virtue of the bylaw of Note3, 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; It shall be transferred maximum five percent (5%) of the preferred and installment shares of firms to the directors, the staff and the retired individuals of the same firm, observing other conditions stated hereunder:

- a. The employed directors and staff or the officers (the official or contract personnel) of divestible firms, and also directors and staff of divestible firms who are officers in other firms and they have at least one year of experience in the related field and also the divestible firm have paid their insurance premium (even non-continued) in that period, possess the qualifications to receive the preferred shares. The directors and the officers, whom payment of the insurance premium or their superannuation payment are deducted from the source of mission, are not entitled to divest the shares. Each qualified

individuals who are employed on those investee firms where more than 50 % of their investment belongs to the divestible firm can enjoy the preferred shares.

* **Note1:** Divesting the shares to the employed directors and staff has higher priority; after divesting the shares to them, in case there were divestible shares of firm, the above-mentioned shares will be sold to the of the same firm. The retired individuals are not permitted to use the benefits of justice shares and preferred shares simultaneously.

- b. The amount of the allottable preferred shares to each qualified individuals is (maximum) tenfold of the six-month average of the applicants' last wages and benefits (based upon the legal ordinances) which will be sold at the base shares price.
- c. Preferred share will be divested only by written request of the applicants. The qualified individuals must submit within 30 days after the publication of the first notice or sending a declaration letter of the conditions of purchasing the preferred shares from IPO to the divestible firm, their request to use the preferred shares along with the complete list of applicants' qualifications which certified by the related firm, the Justice Shares Secretariat and the corresponding branch of the Social Security Organization, as well as the contract sheets to the firms' divesting affairs office. In case there is received no application to purchase the preferred shares or after allocation of all of the requested shares up to the determined ceiling; observing the regulations, the remained shares will be added to the blocked divestible shares.

* **Note2:** The managing director's and the board of directors of the divestible firm are responsible for confirming the names and the amount of price cited in the Legal Ordinances of the personnel.

3. Financial or Non-financial Incentives and Discounts in the Block Controlled Shares:

- 3.1. The purchaser of the controlled shares (the least amount of the shares to determine the majority of the board of directors' members) who increase number of the staff of the firm to the extent more than what is recorded in the divesting document during the period of installment, or resort to train and recruitment of extra workforces of other privatized firms in their units, shall enjoy the financial or non-financial incentives as mentioned in the guideline number 63/2/206295 (dated 7, Apr. 2009) and the guideline of "monitoring mode after divesting the shares" by the divesting Board (dated 1st & 8th of May 2010), if they are qualified.
- 3.2. The qualified purchasers shall enjoy of three types of financial incentives separately: discount in the original transaction price, minimization of the benefit of sale by installment or time discount (it means reviewing on the contract time resulting from lengthening of during the repayment of the installments).

* **Note:** Granting the financial or non-financial incentives depends upon the presenting the written plan of the purchaser to maintain and increase the level of the current occupation and retraining the firm's staff. Also, using the financial incentives in paragraph (3-2) is possible provided that after divesting, the average annual of the firm's staff numbers increases with regard to the recorded number in the divesting document, considering the alternative people in lieu of the retired and severance

compensations during the years after divesting, on condition that reducing the number of employees during the studied period does not never exceed ten percent 10%.

3.3. If the qualified purchasers of the controlled shares conclude the measures like the new investment, promotion of efficiency and productivity, production continuity and promotion of its level, promotion of technology and fixing the occupation level in the divestible firm shall be enjoyed the discounts of the guideline of " obtaining manner of commitments, inserting provisions and granting discounts" (until 11th , Mar. 2009) and "the guideline of monitoring mode after divesting"(until 1st & 8th of May 2010) by Divesting Board.

4. Other Cases:

- 4.1. Sending the documents doesn't bind the IPO to divest the shares and conclude the contract. IPO preserves the right to accept or reject all or any of the bids.
- 4.2. IPO will consider the applicant's offers up to 7 days after the last deadline to send the documents. Then, IPO will invite the qualified applicants to negotiate, through the written notification.
- 4.3. In case the winner of the negotiation fails to pay the cash part of the transaction price and conclude the contract, during 30 working days of the notification, IPO has the right to confiscated of warranty in the benefit of itself.
- 4.4. After submission of signed agreement of prohibiting revealing the information, applicants for purchase may visit the firm through the introduction and coordination of IPO.
- 4.5. IPO will conclude the contract of divesting the shares with the winner, during 1 month after announcing the result of the negotiation and introduction of the winner.
- 4.6. The applicants undertake, not to be barred for 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).

IPO Website: www.ipo.ir