

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

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	Divesting Method	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	Preferred & Installment Shares	Total	Total Percentage					Percent of cash prepayment	Payment period (year)		
Saipa Logistics Transport Co.	OTC	46,550,000	2,450,000	49,000,000	49	100,000	1,382	67,718,000,000	2,031,540,000	30	5	<ul style="list-style-type: none"> Islamic Republic of Iran Railways 49% Saipa 51% 	Movement & transportation of different kinds of cargo, goods & passengers by Rail transportation

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. Number of the allocated preferred shares by the personnel and other directors of the firm (in case accrue) shall be deducted from the divestible shares and the suggested price of winner of the bid in proportion to the allocated shares. The remained shares, then, shall form the basis of the transaction price.

* **Note:** 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 divesting with cash and installment payment, Individuals with cash payment shall have the priority in purchasing the shares; 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 6 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:

Since 245,000 million Rials of 429,500 million Rials is with capital increasing amount belongs to Islamic Republic of Iranian Railways and by virtue of implementation law of General Policies of Principle (44) of the

Constitution, the mentioned company is not allowed to increase its capital. Thus, the purchaser must pay the mentioned amount based upon (said price of) the Islamic Republic of Iran Railways.

2. Preferred and Installment Shares (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 shall be sold to the retired individuals 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 shall be sold at the base shares price.
- c. Preferred share shall 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 of the IPO. 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 shall 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. Other Cases:

- 3.1. The Envelopes containing bids shall be opened at 2 pm on Monday (06, 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.
- 3.2. The IPO preserves the right to accept or reject all or any of the bids.
- 3.3. 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 20 working days of the notification, their deposit shall be confiscated to the IPO benefit.
- 3.4. Saipa Logistics Transport Company's shares offering will be begun since (05, Dec. 2010) through the OTC (the third market).
- 3.5. 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.
- 3.6. 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).
- 3.7. For financial information, the applicants may refer to Farabourse Iran Company, maximum until the last hours of administrative time of Saturday (04, Dec. 2010).

IPO Website: www.ipo.ir