

FORM B1	United States Bankruptcy Court Southern District of New York	Voluntary Petition
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Name of Debtor (if individual, enter Last, First, Middle): Jugobanka A.D. Beograd	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names): f/k/a Jugobanka - United Bank	All Other Names used by the Joint Debtor in the last 6 years (include married, maiden, and trade names):
Soc. Sec./Tax I.D. No. (if more than one, state all): N/A	Soc. Sec./Tax I.D. No. (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): 19-21 Kralja Petra St. 11000 Belgrade Yugoslavia	Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
County of Residence or of the Principal Place of Business: N/A	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): Banking Rehabilitation Agency Jugobanka, A.D. in bankruptcy 10 Nikole Pasia Place 11000 Belgrade, Yugoslavia	Mailing Address of Joint Debtor (if different from street address):
Location of Principal Assets of Business Debtor (if different from street address above):	

Information Regarding the Debtor (Check the Applicable Boxes)

Venue (Check any applicable box)

- Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Type of Debtor (Check all boxes that apply)

<input type="checkbox"/> Individual(s)	<input type="checkbox"/> Railroad
<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Stockbroker
<input type="checkbox"/> Partnership	<input type="checkbox"/> Commodity Broker
<input type="checkbox"/> Other _____	

Chapter or Section of Bankruptcy Code Under Which the Petition is Filed (Check one box)

<input type="checkbox"/> Chapter 7	<input type="checkbox"/> Chapter 11	<input type="checkbox"/> Chapter 13
<input type="checkbox"/> Chapter 9	<input type="checkbox"/> Chapter 12	
<input checked="" type="checkbox"/> Sec. 304 - Case ancillary to foreign proceeding		

Nature of Debts (Check one box)

Consumer/Non-Business Business

Filing Fee (Check one box)

Full Filing Fee attached

Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.

Chapter 11 Small Business (Check all boxes that apply)

Debtor is a small business as defined in 11 U.S.C. § 101

Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(e) (Optional)

Statistical/Administrative Information (Estimates only)

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE IS FOR COURT USE ONLY

Estimated Number of Creditors (estimated international)

1-15	16-49	50-99	100-199	200-999	1000-over
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Assets

\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Debts (estimated international)

\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Voluntary Petition <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): Jugobanka A.D. Beograd	
Prior Bankruptcy Case Filed Within Last 6 Years (If more than one, attach additional sheet)			
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor:	Case Number:	Date Filed:	
District:	Relationship:	Judge:	

Signatures

Signature(s) of Debtor(s) (Individual/Joint)
I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11)

Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter.

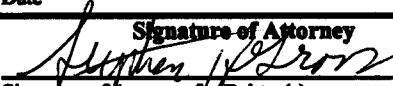
X _____
Signature of Attorney for Debtor(s) Date

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.
 No

Signature of Attorney

X  _____
Signature of Attorney for Debtor(s)
Stephen H. Gross, Esq. (SBG 9904)
Printed Name of Attorney for Debtor(s)
Robinson & Cole LLP
Firm Name
780 Third Avenue
Address 4th Floor
New York, NY 10017
Telephone Number
(212) 451-2900
Date **June 3, 2002**

Signature of Non-Attorney Petition Preparer

I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document.

Printed Name of Bankruptcy Petition Preparer

Social Security Number

Address

Signature of Debtor (Corporation/Partnership)
I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Authorized Individual

Printed Name of Authorized Individual

Title of Authorized Individual

Date

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

X _____
Signature of Bankruptcy Petition Preparer

Date

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:

AGENCY FOR DEPOSIT INSURANCE,
REHABILITATION, BANKRUPTCY AND
LIQUIDATION OF BANKS, AS
BANKRUPTCY ADMINISTRATOR OF
JUGOBANKA A.D., BEOGRAD,

In a Case Under Section 304 of the
Bankruptcy Code

Case No. 02-B-_____

Debtor in Foreign Proceedings.

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**VERIFIED PETITION PURSUANT TO SECTION 304 OF THE BANKRUPTCY
CODE TO COMMENCE A CASE ANCILLARY TO FOREIGN PROCEEDINGS**

The Agency for Deposit Insurance, Rehabilitation, Bankruptcy and Liquidation of Banks (referred to hereinafter as the "Banking Rehabilitation Agency" or the "BRA" or the "Petitioner"), an agency of the Federal Republic of Yugoslavia, as duly appointed Bankruptcy Administrator of Jugobanka A.D. Beograd ("Jugobanka"), in a bankruptcy liquidation and wind-up procedure pending in the Commercial Court located in Belgrade, Yugoslavia (the "Foreign Proceeding") by its United States counsel, Robinson & Cole LLP and Brown & Welsh, P.C., files this petition pursuant to section 304 of Title 11 of the United States Code (the "Bankruptcy Code") to obtain the assistance of this Court in protecting the property of Jugobanka for the benefit of its creditors. In support of the petition, the Petitioner alleges as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this case ancillary to a foreign proceeding pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Judges of the United States District Court for the Southern District of New York

(Ward, Acting C. J.), dated July 10, 1984. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A).

2. Venue is properly located in this District pursuant to 28 U.S.C. § 1410(c).

Background

3. The Banking Rehabilitation Agency is an instrumentality of the Federal Republic of Yugoslavia.

4. Jugobanka, formerly known as Jugobanka-United Bank, was licensed as a bank and had its principal place of business in the Federal Republic of Yugoslavia until it was proclaimed bankrupt. Jugobanka opened an office in New York City in 1962. Jugobanka received a license for the operation of a New York agency from the New York State Superintendent of Banks (the "State Superintendent") in June 1980. On information and belief, Jugobanka was never authorized to, nor did it ever, accept U.S. customer deposits and thus Jugobanka has no U.S. depositors. The primary purpose of establishing a U.S. agency was to enable Jugobanka to facilitate trade between the United States and Yugoslavia through credits extended to American and third-world country subsidiaries of Yugoslav companies. As of January 1, 2002, funds which are the property of Jugobanka, on information and belief, were on deposit at several banks including the Bank of New York, J.P. Morgan Chase, Citibank NY, and the Royal Bank of Canada (collectively, the "Deposit Banks").

5. In response to the death and destruction in areas of the former Socialist Federal Republic of Yugoslavia that followed the breakup of that federation, the President of the United States blocked the property of the Federal Republic of Yugoslavia in the United States on May 30, 1992. Executive Order 12808, 57 CFR 23299. A series of further Executive Orders continued the blocking and expanded the list of property covered. The Executive Orders and

related statutes authorize the U.S. Secretary of the Treasury to issue regulations which carry out the President's directions to block Federal Republic of Yugoslavia funds. Those regulations appear at 31 CFR Part 585. The regulations create a comprehensive federal scheme for the control and administration of blocked assets. They specifically delegate to the treasury's Office of Foreign Assets Control ("OFAC") all the powers created by the President in the Executive Orders. 31 CFR §585.802. OFAC is responsible not only for issuing licenses (*see* 31 CFR §585.202) but also for authorizing the type of accounts in which blocked funds may be held (31 CFR §585.203(a)(1)), for selling or liquidating other property (31 CFR §585.216(b)) and for imposing civil penalties for violations of the blocking regulations (31 CFR §§585.702-704). The U.S. assets of Jugobanka were blocked by the Executive Orders as of June 1992. Following the blocking by the Federal government and the subsequent seizure of physical property and records by OFAC, the New York agency of Jugobanka ceased operations by June 1993 and its New York State license expired.

6. As part of the democratic revival in the Federal Republic of Yugoslavia, significant changes in its banking laws and practices were instituted. The BRA is an important governmental entity implementing these reforms. On July 5, 2001, the BRA became the sole owner of Jugobanka, by virtue of the institution of the rehabilitation process of Jugobanka. In October 2001, the new Law on the Financial Rehabilitation, Bankruptcy and Liquidation of Banks (the "Bankruptcy Statute") became effective in the Federal Republic of Yugoslavia. Under that statute, the BRA's regulatory powers were greatly expanded. The BRA is now charged with conducting all proceedings concerning financial rehabilitation of banks; alternatively, upon an administrative determination and decision by the National Bank of Yugoslavia, in its capacity as Yugoslavia's central bank and bank supervisory authority, that

rehabilitation is inappropriate, BRA is authorized and empowered to conduct bankruptcy proceedings acting as the Bankruptcy Administrator of the bank in bankruptcy. In accordance with Yugoslav regulations, as the national bankruptcy administrator, BRA is entitled and obligated to undertake all actions necessary for the successful oversight of national bankruptcy proceedings, as the only entity authorized to manage and dispose of all of Jugobanka's assets, including their collection and distribution to duly recognized creditors. Yugoslav bankruptcy regulations provide explicitly for this exclusive authority to extend to Jugobanka's property and assets located in foreign jurisdictions.

The Foreign Proceeding

7. Pursuant to the applicable Yugoslav statutes and regulations, bankruptcy proceedings against Jugobanka were instituted on January 3, 2002 by the Commercial Court in Belgrade, Federal Republic of Yugoslavia. A paramount purpose of the proceedings is to ensure the orderly liquidation of Jugobanka and the equitable treatment of the claims of its creditors, wherever located. For the preceding five months, Jugobanka's affairs have been administered in bankruptcy liquidation proceedings before the courts of the Federal Republic of Yugoslavia. Upon information and belief, the practices and procedures under applicable Yugoslav law for the winding up of financial institutions, notification of creditors and adjudication of the validity and priority of their claims are in many ways substantially similar to the provision of the Bankruptcy Code.

Assets Located in the United States

8. On January 3, 2002, the State Superintendent purported to take possession of the business and property of Jugobanka pursuant to Section 606 of the New York Banking Law. In a letter to BRA dated January 4, 2002, the State Superintendent stated that its purpose:

in taking possession of the business and property in this state of the Banks was, of course, to protect the interests of the creditors of the New York Agencies of the Banks ... creditors that conducted business with the banking organization in New York. (emphasis added).

However, the State Superintendent conspicuously failed to identify any such creditors.

Irreparable Injury and Need for Injunctive Relief

9. On March 14, 2002, the State Superintendent was granted a license from OFAC to seize the assets of Jugobanka and Beogradska Banka A.D. The State Superintendent has refused the Petitioner's request to disclose the nature of the authority provided to the State Superintendent under the license. It is believed that in excess of US \$100 million in cash belonging to Jugobanka and Beogradska Banka A.D. Beograd have been seized by the State Superintendent since the granting of the license.

10. The ultimate goal of the Petitioner is to maximize the value of the worldwide assets of Jugobanka and to effect an equitable distribution thereof among all creditors of Jugobanka, under the auspices of the Commercial Court in Belgrade, Federal Republic of Yugoslavia, and with the aid of this Court. In order to effect an equitable distribution of Jugobanka's assets among creditors, it is essential that Jugobanka's assets believed to be held by the State Superintendent and/or the Deposit Banks be turned over to the Petitioner. Jugobanka is not believed to have ever had any U.S. depositors, and Jugobanka ceased its operations in New York by June 1993. With respect to any creditors of Jugobanka in the United States, including in New York, those claims should be processed through the liquidation proceedings currently being administered by the BRA in the Commercial Court to ensure an orderly and equitable distribution to all creditors, and to preclude any double recovery, whether real or attempted, by

creditors seeking relief in the United States and Yugoslavia. In fact, several of Jugobanka's U.S. creditors have already filed their claims in the Foreign Proceeding.

11. The Petitioner accordingly seeks an order of this Court:

- (a) directing the Bank of New York to turn over the assets it holds of Jugobanka to the Petitioner;
- (b) directing J.P. Morgan Chase to turn over the assets it holds of Jugobanka to the Petitioner;
- (c) directing Citibank NY to turn over all of the assets it holds of Jugobanka to the Petitioner;
- (d) directing the Royal Bank of Canada to turn over all of the assets it holds of Jugobanka to the Petitioner;
- (e) directing any other person or entity in the United States having possession of any of Jugobanka's assets to turn over all such assets to the Petitioner;
- (f) directing the State Superintendent (i) to cease and desist from any further actions in respect of Jugobanka or its assets; (ii) to account to the Petitioner for the disposition of any Jugobanka assets at any time within its custody and control; (iii) to release, satisfy and discharge, at its sole cost and expense, any liens, charges, expenses or encumbrances of any kind that have been incurred, directly or indirectly, by the State Superintendent on or against Jugobanka, its assets or its Estate and to turn over all of the assets she holds, directly or indirectly, and over which the State Superintendent has custody and control concerning Jugobanka to the Petitioner.

12. In addition, Petitioner seeks an order of this Court:
- (a) enjoining all persons and entities from transferring, relinquishing or disposing of any property of Jugobanka in the United States, or the proceeds of such property, to third parties;
 - (b) enjoining all persons and entities from commencing or continuing any action or other legal proceeding including, without limitation, the proceeding pending in the Supreme Court of the State of New York entitled The Agency for Deposit Insurance, Rehabilitation, Bankruptcy and Liquidation of Banks, A Federal Agency of the Yugoslavian Government vs. The New York Superintendent of Banking, docket number 600177/02, and the proceeding in the District Court for the Southern District of New York, which the Petitioner voluntarily dismissed without prejudice in contemplation of the filing of the instant petition, entitled Banking Rehabilitation Agency vs. New York Superintendent of Banks, docket number 02 CV 0341, and any arbitration or any judicial, quasi-judicial, administrative or regulatory action, proceeding or process whatsoever against Jugobanka, or any of its property in the United States or any proceeds thereof;
 - (c) enjoining all persons and entities from enforcing any judicial, quasi-judicial, administrative or regulatory judgment, assessment, order or arbitration award against Jugobanka, and commencing or continuing any act or action or other legal proceeding (including, without limitation, arbitration or any judicial, quasi-judicial, administrative or regulatory

action, proceeding or process whatsoever) to create, perfect or enforce any lien, setoff or other claim against Jugobanka, or any of its property in the United States, or any proceeds thereof;

- (d) requiring all persons and entities having possession, custody or control of property of Jugobanka in the United States, or the proceeds thereof, to turn over and account for such property or its proceeds to the Petitioner;
- (e) requiring every person and entity that has a claim of any nature or source against Jugobanka and that is a party to any action or other legal proceeding (including, without limitation, arbitration or any judicial, quasi-judicial, administrative or regulatory action, proceeding or process whatsoever) in which Jugobanka is or was named as a party, or as a result of which a liability of Jugobanka may be established, to place the Petitioner's United States counsel on the master service list of any such action or other legal proceeding and to take such other steps as may be necessary to ensure that such counsel receives (i) copies of any and all documents served by the parties to such action or other legal proceeding or issued by the court, arbitrator, administrator, regulator, or similar official having jurisdiction over such action or legal proceeding and (ii) any and all correspondence or other documents circulated to parties named in the master service list;
- (f) providing, with respect to a subsequent claim, that (i) when informed of a subsequent claim, counsel for the Petitioner shall serve upon the holder of such claim a copy of the Summons, Petition, all other documents

supporting the existing preliminary injunction, and the most recent injunction order entered by this Court; (ii) the holder of a subsequent claim shall have twenty (20) days from service of the Summons in which to file an answer or motion with respect to the Petition; and (iii) on not less than ten (10) business days' notice to counsel for the Petitioner, the holder of a subsequent claim may file a motion seeking an order of the Court vacating or modifying the injunction entered in this proceeding with respect to such subsequent claim. Such request shall be the subject matter of a hearing as scheduled by this Court. Otherwise, the holder of a subsequent claim may file objections and be heard by this Court in accordance with the terms of any order of the Court providing for a hearing in the future on the relief sought by the Petitioner in this proceeding; and

- (g) awarding the Petitioner such other and further relief as this Court may deem just and proper.

Basis for Requested Relief

14. To the extent that Jugobanka does have United States creditors, the Petitioner requires a stay of actions against Jugobanka and a prohibition on acts that would deplete Jugobanka's assets while the Petitioner determines how the interests of all creditors can best be served. The Petitioner must also ensure that entities with subsequent claims are bound by the injunction so that it is not forced to seek relief each time it becomes aware of a subsequent claim.

15. The Petitioner is informed and believes that granting the relief requested herein will best assure an economical and expeditious administration of Jugobanka's estate, consistent with:

- (a) just treatment of all holders of claims against or interests in such estate;
- (b) protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in the foreign proceeding;
- (c) prevention of preferential or fraudulent dispositions of property of such estate;
- (d) distribution of proceeds of such estate substantially in accordance with the order prescribed by the Bankruptcy Code; and
- (e) comity.

Conclusion

WHEREFORE, the Petitioner respectfully requests that this Court grant the relief requested herein and such other and further relief as the Court deems proper.

Dated: New York, New York
June 3, 2002

AGENCY FOR DEPOSIT INSURANCE,
REHABILITATION, BANKRUPTCY AND
LIQUIDATION OF BANKS

By: 

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:

In a Case Under Section 304 of the
Bankruptcy Code

BANKING REHABILITATION AGENCY AS
LIQUIDATOR OF JUGOBANKA A .D.,

Debtor in Foreign Proceedings.

Case No. 02-B-_____

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DZINIC VESNA, pursuant to 28 U.S.C. § 1746, hereby declares under
penalty of perjury as follows:

1. I am the Executive Director of the BANKING REHABILITATION AGENCY,
Petitioner herein.
2. I have read the foregoing petition, and I am informed and believe that the factual
allegations contained herein are true and accurate.
3. I declare under penalty of perjury under the laws of the United State of America
that the foregoing is true and correct.

Executed this 11 day of June, 2002, in BELGRADE

BANKING REHABILITATION AGENCY

By: Dzinic Vesna

[name and title]

EXECUTIVE DIRECTOR

DZINIC VESNA