

РЕПУБЛИКА СРБИЈА
БЛАДА

05 Број 316-7802/2015-1
27 JUL 2015 20____ ГОД
БЕОГРАД, Немањина 11

EXE

**JOINT VENTURE AGREEMENT
BELGRADE WATERFRONT PROJECT
FIRST AMENDMENT AGREEMENT**

Republic of Serbia

and

Belgrade Waterfront Capital Investment LLC

and

Beograd na vodi d.o.o. Beograd

and

Al Maabar International Investment LLC

Belgrade, on 27 JULY 2015

This first amendment agreement (the "**Amendment Agreement**") is entered into on 27 July 2015 by and among:

- (1) **REPUBLIC OF SERBIA**, represented in this Amendment Agreement by Ms. Zorana Mihajlović, Minister for Construction, Transportation and Infrastructure, pursuant to governmental conclusion 05 no. 336-7802/2015 dated 16 July 2015 ("**RoS**"); and
- (2) **BELGRADE WATERFRONT CAPITAL INVESTMENT LLC**, a limited liability company having its business address at Hamdan Street, Al Gaith Tower, Floor 19, Office 34, Abu Dhabi, United Arab Emirates, license number CN-1945304 represented in this Amendment Agreement by Mr. Mohamed Ali Rashed Alabbar as a statutory representative (the "**Strategic Partner**"); and
- (3) **BEOGRAD NA VODI D.O.O.**, a limited liability company incorporated in the Republic of Serbia having its business address at Karadorđeva 48, Belgrade, Republic of Serbia, company identification number 21033391, represented in this Amendment Agreement by Mr. Aleksandar Trifunović, acting director (the "**Company**"); and
- (4) **AL MAABAR INTERNATIONAL INVESTMENT LLC**, a limited liability company having its business address at Capital Gate Tower, level 12, Al Khaleej Al Arabi Street, PO Box 34888, Abu Dhabi, United Arab Emirates, license number CN-1099804 represented in this Amendment Agreement by Mr. Mohamed Ali Rashed Alabbar pursuant to the resolution of the Guarantor's shareholders (the "**Guarantor**")

(RoS, Strategic Partner and the Company are each referred to as a "**Party**" and collectively as "**Parties**", RoS and Strategic Partner are collectively referred to as the "**Shareholders**" and individually as a "**Shareholder**").

PREAMBLE:

- (A) The Parties and the Guarantor have on 26 April 2015 entered into the joint venture agreement for Belgrade Waterfront project (the "**Agreement**").
- (B) The Parties and the Guarantor wish to amend the Agreement as provided in this Amendment Agreement.
- (C) The Parties have exchanged the following corporate resolutions authorizing them to enter into and perform their respective obligations under this Amendment Agreement: (i) conclusion by the Government of RoS 05 no. 336-7802/2015 dated 16 July 2015 and (ii) resolution by the shareholders' meeting of the Company no. 55 dated 16 July 2015.

THE PARTIES AND THE GUARANTOR HEREBY AMEND THE AGREEMENT AS FOLLOWS:

I. AMENDMENTS

1. Clause 1.1. of the Agreement is hereby amended to include the following definitions:

"LDF Condition Subsequent" has the meaning given in Clause 4.5.3.

"LDF Condition Long Stop Date" has the meaning given in Clause 4.6.1(c).

“Plot 14 LDF Arrangement” means the arrangement resulting in non-payment of any Land Development Fees related to Plot 14 Developments, irrespective whether construction works on Plot 14 Developments started before or after the Land Development Fee arrangement referred to in Clause 4.5.3 has been entered into; Plot 14 LDF Arrangement shall be a part of the Land Development Fee arrangement referred to in Clause 4.5.3; Plot 14 LDF Arrangement shall provide that the permits for Plot 14 Developments clearly state that no Land Development Fees are payable and that the Company will not be required to post any collateral as a security for payment of the Land Development Fees.

2. Clause 4.2.1(e) is hereby deleted.
3. Heading of Clause 4.4 is hereby amended to read as follows: “*No Completion*”.
4. Clause 4.5.3 is hereby added to read as follows:

4.5.3 Land Development Fees Arrangement

A long-term arrangement shall be reached to the full satisfaction of Strategic Partner, to the effect of full set-off of all Land Development Fees against Public Land Development Costs on the Project level or other structure or measure, but always in line with the Serbian laws, which would result in non-payment by the Company of all Land Development Fees, subject to the Company incurring Public Land Development Costs on the Project level. Part of such arrangement shall also be Plot 14 LDF Arrangement.

(4.5.1 – 4.5.2: the “Conditions Subsequent” and 4.5.3: the “LDF Condition Subsequent”)

5. Clause 4.6.1(c) is hereby added to read as follows:
 - (c) *LDF Condition Subsequent is not fulfilled or waived until 31 October 2015 or until such later date as may be notified by Strategic Partner, in its sole discretion (the “LDF Condition Long Stop Date”). For the avoidance of doubt, the power to waive the LDF Condition Subsequent can be only exercised by Strategic Partner, in its sole discretion.*
6. Clause 4.6.2 is hereby amended to read as follows:
 - 4.6.2 *RoS and Strategic Partner may jointly waive, either in whole or in part, the Conditions Subsequent but not the LDF Condition Subsequent, which can only be waived by Strategic Partner, at its sole discretion. RoS and Strategic Partner are under no*

obligation whatsoever to exercise this waiver and any such waiver by RoS and Strategic Partner shall not in any way limit the other rights of the Shareholders hereunder.

7. Clause 4.6.3 is hereby amended to read as follows:

4.6.3 The Shareholders' right to terminate according to Clause 4.6.1 shall be forfeited in the following events:

- (a) if all Conditions Subsequent are fulfilled or waived by the Conditions Subsequent Long-Stop Date; and, cumulatively*
- (b) if LDF Condition Subsequent is fulfilled or waived by the LDF Condition Long Stop Date; and, cumulatively*
- (c) if the Agreement is not terminated within 15 (fifteen) days after the expiry of the period for delivery of the Excess Costs Delivery Notice defined in Clause 4.6.1(b).*

8. Clause 4.6.5 is hereby amended to read as follows:

4.6.5 Strategic Partner shall not be entitled to reimbursement of the Termination Costs if the Conditions Subsequent are not fulfilled by the Conditions Subsequent Long Stop Date due to the reasons directly attributable to conduct of Strategic Partner. For avoidance of doubt, Strategic Partner shall be entitled to reimbursement of the Termination Costs in case of termination on the grounds listed in Clause 4.6.1(c), irrespective of the reasons for occurrence of the termination events, as long as Strategic Partner duly and timely provided all information and documentation in its possession (or accessible to Strategic Partner) reasonably requested from it and undertook all necessary actions reasonably required to undertake, all in order to complete and fulfil the LDF Condition Subsequent.

9. Clause 6.4.1 is hereby amended to read as follows:

*6.4.1 The Company shall physically commence construction works on Plot 14 Developments by the date falling 6 (six) months after the Completion Date (the "**Plot 14 Commencement Date**"), subject to timely fulfillment of the following conditions:*

- (a) Completion Date has occurred within 6 (six) months from the date of this Agreement; and*
- (b) Legal/Physical Clearance of the Plot 14 Developments land plot(s) has been completed and the Lease required for the Plot 14 Developments has been awarded to the Company and the leasing procedure has been fully completed (including registration of the Lease in the land registry) within one (1) month after the Completion Date; and*

- (c) *Plot 14 LDF Arrangement has been concluded within fifteen (15) days after completion of the actions set out in Clause 6.4.1(b); and*
- (d) *proper filing for the building permit(s) for the Plot 14 Developments has been made within 1 (one) month after completion of the actions set out in Clause 6.4.1(b); and*
- (e) *building permit for the Plot 14 Developments has been issued and became final and un-appealable within 1 (one) month after completion of the actions set out in Clause 6.4.1(d).*

((a) – (e): the “Plot 14 Commencement Pre-Conditions”)

10. Clause 6.4.2 is hereby amended to read as follows:

6.4.2 *The Shareholders shall use their respective best efforts in meeting the Plot 14 Commencement Pre-Conditions, provided that RoS shall be solely responsible for meeting the Plot 14 Commencement Pre-Conditions in Clauses 6.4.1(b), 6.4.1(c) and 6.4.1(e).*

11. Clause 6.5.6 is hereby amended to read as follows:

6.5.6 *Twenty (20) year period for reaching the Interim Development Threshold referred to in this Clause is assuming:*

- (a) *no delays in the Project caused by failure of RoS to timely meet its obligations under this Agreement; and/or*
- (b) *meeting LDF Condition Subsequent on or before 31 October 2015; and/or*
- (c) *no occurrence of a Material Adverse Effect.*

If the assumptions set out in this Clause 6.5.6. are not met, the period for reaching the Interim Development Threshold will be extended accordingly.

II. FINAL PROVISIONS

- 12. All capitalized terms used herein and not otherwise defined have the meanings given such terms in the Agreement.
- 13. This Amendment Agreement shall be governed by Serbian law.
- 14. The Parties agree that all claims and disputes under this Amendment Agreement shall be settled exclusively by the dispute resolution provisions set forth in the Agreement.

15. Except as expressly modified herein, all other terms, provisions, and conditions of the Agreement shall continue in full force and effect.
16. This Amendment Agreement has been signed in English language in eight (8) copies, each signatory keeping two (2) copies. All counterparts have equal legal power and effect.

IN WITNESS HEREOF, the Parties hereto and the Guarantor have caused this Amendment Agreement to be executed by their duly authorized representatives.

REPUBLIC OF SERBIA



.....
Ms. Zorana Mihajlović, Minister for Construction, Transportation and Infrastructure

BELGRADE WATERFRONT CAPITAL INVESTMENT LLC


.....
Mr. Mohamed Ali Rashed Alabbar

BEOGRAD NA VODI D.O.O.



.....
Mr. Aleksandar Trifunović, acting director

AL MAABAR INTERNATIONAL INVESTMENT LLC


.....
Mr. Mohamed Ali Rashed Alabbar