

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "**Agreement**") is made and entered into as of December , 2010 by and among:

TAB B.V., a company incorporated under the laws of the Netherlands, with its registered office at Koningslaan 17, 1075 AA Amsterdam, the Netherlands, registered with the trade register of the Chamber of Commerce for Amsterdam under no. 09091359, Croatian OIB (PIN) 61231014428 (the "**Lender**"); and

INDUSTROGRADNJA NEKRETNINE d.o.o., a company incorporated under the laws of Croatia, with registered office at Savska 66, 10 000 Zagreb, Croatia, registered with the Commercial Court in Zagreb under number 80646062, Croatian OIB (PIN) 55713556812 ("**NEKRETNINE**" or the "**Borrower**").

1. Loan Amount and Drawdown

The Lender hereby agrees to extend a loan facility in the total principal amount of seven million euros (€7,000,000) (the "**Loan**") to the Borrower on the terms and conditions of this Agreement.

The Lender hereby agrees that the Borrower may instruct the Lender to advance any Drawing (as defined hereinafter) to **I GRUPA d.d.**, a company organised and existing in accordance with the laws of Croatia, with registered office at Savska 66, Zagreb, Croatia, registered with the Commercial Court in Zagreb under number 080681877, personal identification number (OIB) 16008276353 ("**I GRUPA**"), which is a subsidiary of the Borrower, instead of to the Borrower. For the avoidance of any doubt, the Borrower shall be solely liable for the repayment of the Loan irrespective of to whom the funds under a Drawing (as defined hereinafter) are advanced.

The Loan may be drawn by the Borrower in two or more drawdowns (each, a "**Drawing**") subject to the satisfaction of the Conditions Precedent (as defined hereinafter) and subject to the specific Lender's Approval (as defined hereinafter).

The following documentation needs to be executed and, where applicable, registered with the relevant registry and the following information needs to be provided, in form and substance acceptable to the Lender, as conditions precedent (the "**Conditions Precedent**") for any Drawing under this Agreement:

- (a) first ranking pledge(s) on 22,995 (twenty two thousand nine hundred ninety five) dematerialised ordinary registered shares of the company **INDUSTROGRADNJA GRUPA d.d.**, a company incorporated under the laws of Croatia, with registered office at Savska 66, 10 000 Zagreb, Croatia, registered with the Commercial Court in Zagreb under number 080022369, Croatian OIB (PIN) 19751350811 ("**INDUSTROGRADNJA GRUPA**"), in the nominal amount of HRK 1,000 (one thousand Kunas) each, ticker INDG-R-A, ISIN designation HRINDGRA0007, CFI designation ESVUFR, and on the date of this Agreement representing 5.0829% (five point zero eight two nine per cent) of the share capital of **INDUSTROGRADNJA GRUPA** (each, a "**Share**", and collectively, the "**Shares**"), in favour of the Lender (the "**Share Pledge(s)**"), by way of execution of share pledge agreement(s) (the "**Share Pledge Agreement(s)**"); and





- (b) first ranking pledge(s) on 50,165 (fifty thousand one hundred sixty five) dematerialised ordinary registered shares of the company TOZ Penkala, Tvornica olovaka Zagreb d.d., a company organised and existing in accordance with the laws of Croatia, with registered office at Poljačka 56, Zagreb, Croatia, registered with the Commercial Court in Zagreb under number 080160911, personal identification number (OIB) 41257380203 ("**TOZ**"), in the nominal amount of HRK 300 (three hundred Kunas) each, ticker TOZ-R-A, ISIN designation HRT0Z0RA0009, CFI designation ESVUFR, and on the date of this Agreement representing 25.0825% (twenty five point zero eight two five per cent.) of the share capital of TOZ (each, the "**TOZ Share**", and collectively, the "**TOZ Shares**"), in favour of the Lender (the "**TOZ Share Pledge(s)**"), by way of execution of share pledge agreement(s) (the "**TOZ Share Pledge Agreement(s)**"); and
- (c) mortgages over the following property (each, the "**Property**", and collectively, the "**Properties**"):
- (c.1) fourth or higher ranking mortgage over the real estate located in Zagreb, Poljanička, comprising of the following plots in the land register of the Municipal civil court of Zagreb: 5496/4 (file number 21936, cadastral municipality City of Zagreb), and
 - (c.2) fourth or higher ranking mortgage over the real estate located in Zagreb, Radnička, comprising of the following plots in the land register of the Municipal civil court of Zagreb: 6354/8 and 6355/3 (file number 23586, cadastral municipality City of Zagreb), and
 - (c.3) third or higher ranking mortgage over the real estate located in Ledenice, comprising of the following plots in the land register of the Municipal court of Novi Vinodolski: 2108/1, 2108/2, 2109, 2110/1, 2110/2 and 2115 (file number 1917, cadastral municipality Ledenice), and
 - (c.4) sixth or higher ranking mortgage over the real estate located in Umag, comprising of the following plots in the land register of the Municipal court of Buje: 2916/1 and 2916/2 (file number 2907, cadastral municipality Umag), and
 - (c.5) third or higher ranking mortgage over the real estate located in Brinje, comprising of the following plots in the land register of the Municipal court of Otočac: 299 and 650 (file number 2489, cadastral municipality Brinje),

in favour of the Lender (each, a "**Mortgage**" and together the "**Mortgages**"), by way of execution of mortgage agreements (each, the "**Mortgage Agreement**", and collectively, the "**Mortgage Agreements**"); and

- (d) the Put and Call Agreement between INDUSTROGRADNJA GRUPA, NEKRETNINE, NEGOTIATOR d.o.o., a company organised and existing in accordance with the laws of Croatia, with registered office at Zelinska 3, Zagreb, Croatia, registered with the Commercial Court in Zagreb under number 080433608, personal identification number (OIB) 12934187226, the Lender and Josip Galinec, of Zelinska 3, Zagreb, Croatia, personal identification number (OIB) 58302139318; and

(e) documentation satisfactory to the Lender showing that the Borrower or other relevant person has good clear title to the Properties, the Shares and TOZ Shares and that other than the following encumbrances:

- three mortgages of the creditor Centar banka d.d. as security for repayment of the said creditor's claims in the amount of HRK 730,039.75, HRK 9,959,016.39 and EUR 300,000, registered on the Property under (c.1) above,

- two mortgages of the creditor Croatia osiguranje d.d. as security for repayment of the said creditor's claims in the amount of HRK 3,000,000 and HRK 14,000,000, and one mortgage of the creditor Centar banka d.d. as security for repayment of the said creditor's claim in the amount of HRK 12,000,000, all registered on the Property under (c.2) above,

- two mortgages of the creditor Centar banka d.d. as security for repayment of the said creditor's claims in amount of HRK 9,959,016.39 and EUR 300,000, registered on the Property under (c.3) above,

- two mortgages of the creditor Našicecement d.d. as security for repayment of the said creditor's claims in the amount of HRK 6,000,000 and HRK 3,500,000, and three mortgages of the creditor Karlovačka banka d.d. as security for repayment of the said creditor's claims in the amount of HRK 400,000, HRK 1,800,000 and HRK 1,500,000, all registered on the Property under (c.4) above,

- two mortgages of the creditor - Republic of Croatia - Ministry of Finance as security for repayment of the said creditor's claims in the amount of HRK 20,129,197.63 and HRK 15,415,032.06, registered on the Property under (c.5) above,

the Properties, the Shares and TOZ Shares are unencumbered, that the value of the Properties (net of any amounts owing pursuant to the Mortgages), the Shares and TOZ Shares, is sufficient to repay the Loan and the Total Fee (as defined hereinafter) and that the documentation under (a) to (d) above has been duly entered into and that the relevant registration applications and any other relevant documents needed for registration of the Mortgages, the Share Pledge and TOZ Share Pledge have been duly filed with the competent registry and the Mortgages, the Share Pledge and the TOZ Share Pledge have been duly registered by the Security Date (as defined hereinafter) with the competent registry; and

(f) the Borrower has obtained all necessary internal and/or external approvals, authorisations, consents, licences or permits required or desirable in connection with this Agreement or any Security Agreement (as defined hereinafter); and

(g) written approval from the Management Board and Supervisory Board of INDUSTROGRADNJA GRUPA for entry into the documentation under (a) to (d) above; and

(h) written approval of the Supervisory Board of INDUSTROGRADNJA GRUPA of the Strategic Plan of INDUSTROGRADNJA GRUPA prepared by the Management Board of INDUSTROGRADNJA GRUPA on November 19, 2010; and

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- (i) where needed, written approval from the Management Board and/or Supervisory Board of the relevant counter party for entry into the documentation under (a) to (c) above.

In advance of each Drawing, the Lender may request confirmation of the satisfaction of the Conditions Precedent from its counsel in Croatia.

Provided that the Conditions Precedent have been satisfied, the Borrower will notify the Lender of the detailed purpose of the use of the Drawing by faxing to the Lender a drawdown notice (the "**Drawdown Notice**"), substantially in the form of Schedule 1 to this Agreement, and, at its absolute discretion and without prejudice, the Lender may or may not approve the Drawing (the "**Lender's Approval**"). If approved, the Drawing will be advanced as specified in the Drawdown Notice within two (2) working days from the date of the Lender's Approval.

For the initial Drawing(s) in the total amount of up to two million and five hundred thousand euros (€2,500,000), the Lender agrees that Conditions Precedent (a) to (c) above and Conditions Precedent (e) to (g) and (i) above (in the part relating to Conditions Precedent (a) to (c) above) shall be deemed as satisfied if the following documentation is executed or the following actions have been undertaken, in form and substance acceptable to the Lender:

- (a) execution of the Share Pledge Agreement for creation of first ranking pledge on 11,396 Shares; and
- (b) execution of the TOZ Share Pledge Agreement for creation first ranking pledge on 15,249 TOZ Shares; and
- (c) execution of the Mortgage Agreements.

The Borrower shall use its best efforts to file the relevant registration applications and any other relevant documents needed for registration of the above Share Pledge, TOZ Share Pledge and Mortgages immediately after execution of the above Share Pledge Agreement, TOZ Share Pledge Agreement and Mortgage Agreements.

For avoidance of any doubt, for the initial Drawing(s) in the total amount of up to two million and five hundred thousand euros (€2,500,000), all other Conditions Precedent need to be satisfied and the Lender's Approval needs to be issued. Also for the avoidance of any doubt, any Drawing subsequent to the subject initial Drawing(s) in the total amount of more than two million and five hundred thousand euros (€2,500,000) shall be subject to satisfaction of all Conditions Precedent and to the Lender's Approval.

2. Use of Proceeds

Proceeds of the Loan are available for use of the Borrower for its general corporate purposes, subject to the satisfaction of the Conditions Precedent and subject to the Lender's Approval.

3. Fees and Interest

The Borrower agrees to pay the following fees to the Lender:

- (a) an arrangement fee (the "**Arrangement Fee**") in the amount of three per cent (3%) of the Loan, being an amount of two hundred and ten thousand euros (€210,000), and
- (b) an extension fee (the "**Extension Fee**") in the amount of two per cent (2%) of the Loan, being an amount of one hundred and forty thousand euros (€140,000), in the event that the Borrower requests that the Maturity Date (as defined hereinafter) be extended to the Extended Maturity Date (as defined hereinafter), and
- (c) a maintenance fee (the "**Maintenance Fee**") at the rate of zero point one per cent (0.1%) per month calculated with reference to the highest balance outstanding on the Loan during the month, and
- (d) interest (the "**Interest**") at the rate of one point fifteen per cent (1.15%) per month calculated based on the actual outstanding Loan on a daily basis.

The aggregate of the Arrangement Fee, the Extension Fee, the Maintenance Fee and the Interest (together, the "**Total Fee**") shall be payable by the Borrower on the Maturity Date or Extended Maturity Date (as defined hereinafter), if applicable, in the form of (i) a cash payment in euros to such account as the Lender shall nominate or (ii) by the Lender exercising the Option (as defined hereinafter).

If the Lender shall exercise the Option (as defined hereinafter), the Total Fee shall be increased by a FX Hedging Fee (the "**FX Hedging Fee**") in the amount of five per cent (5%) of the Total Fee.

Under no circumstance will the aggregate of the Total Fee and the FX Hedging Fee (as defined hereinafter) be more than one million five hundred and seventy five thousand euros (€1,575,000).

If the Borrower fails to pay any amount payable by it under this Agreement on its due date, the Borrower will, on demand by the Lender, pay interest on such overdue amount (the "**Default Interest**") from its due date up to its date of actual payment at the highest rate permitted by Croatian law for default interest between commercial entities.

All payments to be made by the Borrower to the Lender shall be made free and clear of and without deduction for or on account of any tax.

4. Lender's Option

The Lender may, at its absolute discretion and without prejudice, require that the payment of the aggregate of the Total Fee and the FX Hedging Fee be paid by a transfer of Shares to the Lender (the "**Option**"), by way of a share transfer agreement substantially in the form set out in Schedule 3 to this Agreement (the "Share Transfer Agreement"), instead of payment in cash in euros, as provided in Clause 3 hereof. The actual number of Shares (the "**Option Shares**") to be transferred to the Lender shall be determined by multiplying the sum of the Total Fee and the FX Hedging Fee by 7.3 (the fixed Kn:€ exchange rate) and dividing the result by Kn 500 (the "**Share Price**"). The Share Price represents a premium of more than 20% to the average price of the shares of INDUSTROGRADNJA GRUPA on the Zagreb Stock Exchange for the period January 1, 2010 to the date of this Agreement.

At any time on or after the Accelerated Maturity Date (as defined hereinafter) or the Maturity Date (as defined hereinafter) or the Extended Maturity Date (as defined hereinafter), the Lender may exercise the Option by faxing to the Borrower an option exercise notice (the "**Option Notice**"), substantially in the form of Schedule 2 to this Agreement, requesting that the Borrower execute and notarise the Share Transfer Agreement(s) in respect of the Option Shares. In the event that the Borrower does not complete the transfer of the Option Shares set out above, the Borrower shall pay to the Lender a delay penalty in the amount of fifty thousand euros (€50,000) for every day that the transfer of the Option Shares is delayed as a result of the failure by the Borrower to (i) execute and arrange for the notarisation of the Share Transfer Agreement and (ii) submit the executed and notarised Share Transfer Agreement to the relevant registry for registration all within the period of 2 working days from the date on which the Option Notice is faxed to the Borrower. For the avoidance of any doubt, the Lender is entitled to request both the payment of the delay penalty and the transfer of the Option Shares.

Only if the Lender exercises the Option and only at the time when the Option Shares are registered in the relevant registry in the name of the Lender, free of all encumbrances, including but not limited to pledge, claim, charge, lien, option, power of sale, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing, shall the Borrower be deemed to have settled the Total Fee and the FX Hedging Fee due under this Agreement.

5. Repayment

The Borrower agrees to repay the Loan i.e. all Drawings made under this Agreement, together with the Total Fees and the FX Hedging Fee (if applicable), no later than on the date falling twelve (12) months from the date of this Agreement (the "**Maturity Date**"), which date may be accelerated in case of an Event of Default (as defined hereinafter) (the "**Accelerated Maturity Date**"), or extended in the sole discretion of the Lender. The Maturity Date may be extended to June 15, 2012 (the "**Extended Maturity Date**") at the request of the Borrower made prior to the Maturity Date and subject to the Lender's approval, which shall not be unreasonably withheld or delayed.

The Borrower may elect to prepay any Drawing made under this Agreement prior to the Maturity Date or the Extended Maturity Date (if applicable) subject to the Lender's approval. For avoidance of any doubt, the Borrower may not elect to prepay the Total Fee prior to the Maturity Date.

NEKRETNINE and INDUSTROGRADNJA GRUPA undertake to initiate a controlled disposal process for the Assets (as defined hereinafter) and that none of the Assets (as defined hereinafter) will be sold without the prior written consent of the Lender. NEKRETNINE and, by signing this Agreement, INDUSTROGRADNJA GRUPA, undertake and agree to pay in euros to the Lender all funds received on the disposal of the following assets (collectively, the "**Assets**") net of the 3rd party debt either by directing that the proceeds on disposal be paid to the account of the Lender or, if not achievable, on the same day that NEKRETNINE or INDUSTROGRADNJA GRUPA receives the funds.

Asset	Minimum proceeds – not less than	Outstanding 3rd party debt that may be paid on disposal prior to repayment to the Lender in HRK
Poljanička (Property from Clause 1 (c.1) above)	€1,400,000	up to HRK 500,000
Radnička (Property from Clause 1 (c.2) above)	€3,100,000	up to HRK 10,000,000
Ledenice (Property from Clause 1 (c.3) above)	€700,000	up to HRK 500,000
Umag (Property from Clause 1 (c.4) above)	€1,200,000	up to HRK 500,000
Brinje (Property from Clause 1 (c.5) above)	€700,000	up to HRK 500,000
70 Apartments located in Zagreb, Zagrebačka – Tomislavova street	€5,600,000	up to HRK 27,000,000
Construction business i.e. the companies OPERATIVA LOMNICA d.o.o. and INDOSTAND d.o.o. or any other company to pursue INDUSTRIROGRADNJA GRUPA construction business in the future	€6,000,000	NIL

The Borrower may request that the funds repaid to the Lender be re-advanced to the Borrower by following the drawdown procedure from Clause 1 hereof.

6. Security

Repayment of the Loan i.e. all Drawings made under this Agreement, together with the Total Fee and the FX Hedging Fee (if applicable) shall be secured (i) by the Share Pledge(s), the TOZ Share Pledge(s) and the Mortgages (collectively, the "**Security**"), by entry into the Share Pledge Agreement(s), the TOZ Share Pledge Agreement(s) and the Mortgage Agreements (collectively, the "**Security Agreements**") and (ii) by a pledge of an additional 36,700 TOZ Shares, by entry into the agreement on pledge of these additional 36,700 TOZ Shares in favour of the Lender.

By December 31, 2010, the Borrower undertakes to register and/or procure the registration in the relevant registry(ies) of the security to be created under the Share Pledge Agreement in respect of 11,396 Shares and the TOZ Share Pledge Agreement in respect of 15,249 TOZ Shares.

By January 31, 2011 (the "**Security Date**"), the Borrower undertakes to execute and/or to procure for the execution of and to register and/or procure for registration in the relevant registry(ies) of the security to be created under:

- the Share Pledge Agreement(s) in respect of 11,599 Shares, and
- the Share Pledge Agreement(s) in respect of 34,916 TOZ Shares.

By the Security Date, the Borrower undertakes to register and/or procure for registration in the relevant registry(ies) of the security to be created under the Mortgage Agreements.

The Borrower undertakes to execute and/or to procure the execution of and to register and/or procure the registration in the relevant registry(ies) of the security to be created by way of an agreement of pledge on an additional 36,700 TOZ Shares immediately following the payment of an amount of approximately €2,000,000 due to the seller of Planidal ulaganja d.o.o. ("**Planidal**") being the entity that holds these additional 36,700 TOZ Shares which are pledged in favour of NEKRETNINE at the date of this Agreement.

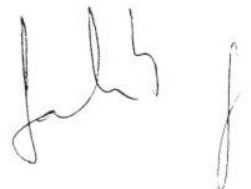
The Borrower covenants that, during the continuance of any Share Pledge, any TOZ Share Pledge and pledge of additional 36,700 TOZ Shares, it shall not create or permit to subsist any further encumbrance upon the Shares or TOZ Shares respectively. The Share Pledge(s), the TOZ Share Pledge(s) and the pledge of additional 36,700 TOZ Shares shall become immediately enforceable upon the occurrence of an Event of Default and the Lender may in its absolute discretion enforce the Share Pledge(s), the TOZ Share Pledge(s) and the pledge of additional 36,700 TOZ Shares in such manner as it sees fit.

The Borrower and, by signing this Agreement, INDUSTROGRADNJA GRUPA, covenant with the Lender that, during the continuance of any Mortgage, it shall not create or permit to subsist any further encumbrance over any Property. Any Mortgage shall become immediately enforceable upon the occurrence of an Event of Default and the Lender may in its absolute discretion enforce the Mortgage in such manner as it sees fit.

7. Representations and Warranties

The Borrower represents and warrants to the Lender that:

- (a) NEKRETNINE is a subsidiary of INDUSTROGRADNJA GRUPA and I GRUPA is a subsidiary of NEKRETNINE;
- (b) it is duly constituted and in good standing under the laws of Croatia and has the appropriate power and authority to enter into and perform this Agreement, the Security Agreements and any other documentation referred to in this Agreement; it has taken all necessary actions to authorise the execution, delivery and performance of this Agreement, the Security Agreements and any other documentation referred to in this Agreement; and the obligations expressed as being assumed by it under this Agreement, the Security Agreements and any other documentation referred to in this Agreement constitute its valid, legal and binding obligations and their performance will not contravene any provision of the Articles or any law or other obligation binding upon it;
- (c) it is not in liquidation or subject to any bankruptcy procedure and no receiver, manager, trustee, custodian or analogous officer has been appointed in respect of it or any of them;
- (d) no approval, authorisation, consent, licence, permit or registration of or with any governmental, judicial or other authority or other third party is required or desirable in connection with the execution, performance, validity or enforceability of this Agreement, the Security Agreements or any other documentation referred to in this Agreement;
- (e) it holds (and has at all times complied with in all material respects) all authorisations required to carry on its business and it is not aware of any event or circumstance which could reasonably be expected to have a material effect on its right to hold and/or to obtain renewal of all such authorisations and/or to obtain any new authorisations which will be required to enable it to carry on its business; and



- (f) the information provided by the Borrower to the Lender was true, complete and accurate in all material respects as at the date it was given and the Borrower is not aware of any material facts or circumstances that have not been disclosed and which might, if disclosed, adversely affect the decision of the Lender in considering whether or not to provide the Loan to the Borrower;
- (g) as at the date of this Agreement, NEKRETNINE holds 11,396 Shares;
- (h) as at the date of this Agreement, 11,396 Shares are free of all encumbrances, including but not limited to pledge, claim, charge, lien, option, power of sale, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;
- (i) as at the date of this Agreement, NEKRETNINE holds 15,249 TOZ Shares;
- (j) as at the date of this Agreement, except for the security interests created in favour of ETHEMBA CAPITAL LIMITED, 15,249 TOZ Shares are free of all encumbrances, including but not limited to pledge, claim, charge, lien, option, power of sale, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;
- (k) as at the date of this Agreement, 11,396 Shares and 15,249 TOZ Shares are freely transferable (or will be freely transferable after deregistration of security interests mentioned under (j) above, the remaining 11,599 Shares and 34,916 TOZ Shares will be freely transferable by the Security Date and an additional 36,700 TOZ Shares will be freely transferable immediately upon repayment of the claim and release of associated security existing in respect of these additional 36,700 TOZ Shares as at the date of this Agreement), including but not limited to for security purposes, and the Borrower has obtained all necessary internal and/or external approvals, authorisations, consents, licences or permits required or desirable in connection with the creation of the Share Pledge, the TOZ Share Pledge and the pledge of additional 36,700 TOZ Shares;
- (l) it is not aware of any event or circumstance which could reasonably be expected to dilute the shareholding in INDUSTROGRADNJA or TOZ respectively, to be subject matter of Share Pledge(s) or TOZ Share Pledge(s) or the pledge of additional 36,700 TOZ Shares respectively, as at the date of this Agreement;
- (m) NEKRETNINE or INDUSTROGRADNJA GRUPA respectively has valid legal title to the Property, its title to the Property has never been challenged and there are no grounds or reasons for challenging its title to the Property.

The Borrower's representations and warranties set out above shall be continuing.

By signing this Agreement, INDUSTROGRADNJA GRUPA represents and warrants to the Lender that it is duly constituted and in good standing under the laws of Croatia and has the appropriate power and authority to sign this Agreement and to perform its obligations under this Agreement and the relevant Mortgage Agreements; it has taken all necessary actions to authorise the execution, delivery and performance of this Agreement and the

relevant Mortgage Agreements; and the obligations expressed as being assumed by it under this Agreement and the relevant Mortgage Agreements constitute its valid, legal and binding obligations and their performance will not contravene any provision of the Articles or any law or other obligation binding upon it; it has valid legal title to the relevant Property, its title to the relevant Property has never been challenged and there are no grounds or reasons for challenging its title to the relevant Property.

8. Covenants

The Borrower covenants to the Lender that:

- (a) it shall procure the deregistration of security or other interests created on 11,599 Shares by the Security Date;
- (b) it shall promptly give notice to the Lender of the occurrence of any Event of Default (as defined hereinafter) or any other event which, with the giving of notice or lapse of time or both or the satisfying of other conditions would constitute an Event of Default (as defined hereinafter);
- (c) it shall procure enter into and execute the Share Pledge Agreement(s) in respect of 11,599 Shares by the Security Date;
- (d) it shall procure the deregistration of security interests created in favour of ETHEMBA CAPITAL LIMITED on 15,249 TOZ Shares immediately after the date of this Agreement and the deregistration of security or other interests created on 34,916 TOZ Shares by the Security Date;
- (e) it shall procure that it and/or the relevant holder(s) of 34,916 TOZ Shares enter into and execute the TOZ Share Pledge Agreement(s) by the Security Date;
- (f) it shall procure the deregistration of any security interests including those created in favour of NEKRETNINE on an additional 36,700 TOZ Shares immediately upon payment of an amount of approximately €2,000,000 due to Planidal and the release of associated security existing in respect of these additional 36,700 TOZ Shares as at the date of this Agreement;
- (g) it shall procure that it and/or the relevant holder(s) of the additional 36,700 TOZ Shares enter into and execute the agreement on the pledge of additional 36,700 TOZ Shares immediately upon repayment of the claim from the seller of Planidal ulaganja d.o.o. and release of associated security existing in respect of these additional 36,700 TOZ Shares as at the date of this Agreement;
- (h) it shall procure that the other relevant holder(s) mentioned under (e) and (g) above obtain all necessary internal and/or external approvals, authorisations, consents, licences or permits required or desirable in connection with the TOZ Share Pledge Agreement(s) and the agreement on the pledge of additional 36,700 TOZ Shares;
- (g) at the Lender's demand, it shall procure the deregistration of any encumbrance registered over any Property on the date of this Agreement immediately upon repayment of the relevant creditor's i.e. mortgagee's claim in order to achieve registration of:

- (f.1) first mortgage over the Property from Clause 1 (d.1) above, and
 - (f.2) third or higher ranking mortgage on Property from Clause 1 (d.2) above, and
 - (f.3) first mortgage on Property from Clause 1 (d.3) above, and
 - (f.4) third or higher ranking mortgage on Property from Clause 1 (d.4) above,
- in favour of the Lender;
- (h) it shall not without the prior written consent of the Lender create or permit to arise or continue any encumbrance on any of the Properties or its assets or assign, sell, transfer or otherwise dispose of (whether by one transaction or a series of transactions and whether at any one time or over a period of time) the whole or any part of its assets other than as specified in this Agreement;
 - (i) there has been no material adverse change in the financial or corporate standing of the Borrower or its business prior to the Loan i.e. any Drawing being advanced which would prevent the Borrower from conducting and continuing its business; and
 - (j) entering into and performing the terms of this Agreement and/or the Security Agreements and/or any other documentation referred to in this Agreement as to be executed by the Borrowers does not cause any borrowing, guarantee, security, or similar limit binding on the Borrower to be exceeded nor does it breach any provision of the Borrower's Articles.

9. Events of Default

Notwithstanding the provisions of this Agreement, the Loan i.e. all Drawings made under this Agreement, together with the Total Fees and FX Hedging Fee (if applicable), will become immediately due and payable or repayable by the Borrower on demand in the event of any of the following (each, the "**Event of Default**"):

- (a) the Security Agreements are not executed and/or the Security is not registered by, where relevant, the initial Drawing(s) in the total amount of up to two million and five hundred thousand euros (€2,500,000), December 31, 2010, or the Security Date, or by other, later date(s) set by the Lender; or
- (b) the Security becomes wholly or partially invalid or unenforceable; or
- (c) the Borrower fails to make any payment under this Agreement within five (5) Business Days of any amount payable by the Borrower in the manner and at the time provided in this Agreement; or
- (d) any representation or warranty made or repeated by the Borrower in this Agreement is incorrect in any respect as of the time made or repeated; or
- (e) the Borrower fails to promptly give notice to the Lender of the occurrence of any Event of Default or any other event which, with the giving of notice or lapse of time or both would constitute an Event of Default; or

- (f) the Borrower fails to perform any of its other obligations under this Agreement and such failure (if capable of remedy in the opinion of the Lender) remains unremedied to the satisfaction of the Lender for 5 (five) Business Days after notice requiring its remedy has been given by the Lender to the Borrower; or
- (g) the Borrower ceases or threatens to cease to carry on its business or is unable to pay its debts as they fall due or is deemed unable to pay its debts or enters into any arrangements with its creditors; or
- (h) the Borrower is in liquidation or subject to any bankruptcy procedure or a receiver, manager, trustee, custodian or analogous officer is appointed in respect of all or any part of its property, undertaking or assets; or
- (i) it becomes unlawful for the Borrower to perform all or any of its obligations under this Agreement; or
- (j) any injunction, order, judgment or decision is made or given which, in the reasonable opinion of the Lender, materially and adversely affects the ability of the Borrower to carry on its business or to perform any of its obligations under this Agreement; or
- (k) any other indebtedness of the Borrower becomes enforceable or there is any change in the financial condition of the Borrower which, in the reasonable opinion of the Lender, materially and adversely affects the ability of the Borrower to perform any of its obligations under this Agreement or the Security.

10. Notices

Any demand or notice in respect of this Agreement must be in writing and may be served on either party by:

- (a) delivering or despatching it to the registered office last known to either party; or
- (b) facsimile transmission to +385 (1) 6177 072 for the Borrowers and +31 20 673 0342 for the Lender.

All notices addressed to the Lender shall be copied and also sent to:

- (a) Guardian Trust Company Limited (fax: +41 (22) 718 7201) (attention: Michael Segerman, Guardian Trust Company Limited, 15 boulevard Helvetique, 1207, Geneva, Switzerland); and
- (b) Ethemba Capital LLP (fax: +44 (20) 7299 8966) (attention: The Managing Partner, Ethemba Capital LLP, 2nd Floor, 43 Portland Place, London W1B 1QH, United Kingdom).

Any such demand or notice delivered personally shall be deemed to have been received immediately upon delivery. Any such demand or notice sent by post shall be deemed to have been received at the opening of business on the fourth working day following the day on which it was posted, even if returned undelivered. Any demand or notice sent by facsimile shall be deemed to be effective on despatch if sent during the normal business hours of the recipient provided that the correct facsimile acknowledgement is received. If sent outside such normal business hours it shall be deemed to be received at the next opening of normal business.

11. Costs and Expenses

The Borrower shall pay any and all costs and expenses related to or associated with preparing and putting in place this Agreement, the Security and any related documentation, including but not limited to Conditions Precedent documentation.

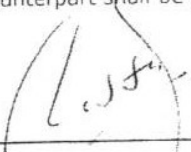
12. Law and Assignment

This Agreement is governed by and will be construed in accordance with Croatian law.

Any dispute or claim arising out of or relating to this Agreement or breach, termination or validity thereof shall be finally settled by arbitration in accordance with the Arbitration Rules of the Permanent Arbitration Court with the Croatian Chamber of Commerce. The arbitration seat shall be in Zagreb and the language of arbitration proceedings shall be the English language.

The Agreement is not assignable, save that the Lender shall be entitled to assign the benefit or burden of any provision of this Agreement to any person without the prior written consent of the Borrower.

This Agreement may be executed in English language in any number of counterparts and when executed each counterpart shall be an original, and all the counterparts together shall constitute one and the same agreement.

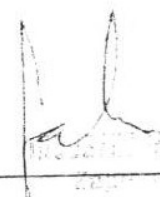


For and on behalf of TAB B.V:

By: *Private Equity Services (Amsterdam) B.V.*

Capacity: Director

Date: 27 December 2010



For and on behalf of Industrogradnja Nekretnine d.o.o.

By: Josip Galinec

Capacity: Director

Date: 28 December 2010



INDUSTROGRADNJA GRUPA d.o.o.
Zagreb, Brijunska 100A/101B

For and on behalf of **INDUSTROGRADNJA GRUPA d.d.**

By: **Josip Galinec**

Capacity: **President of the Management Board**

Date: 28 December 2012

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