

## SETTLEMENT AGREEMENT

This Settlement Agreement is made between:

1. Georgia, duly represented by Tina Burjaliani, First Deputy Minister of Justice of Georgia, authorized to represent Georgia and to conclude this Settlement Agreement by virtue of Decree of the President of Georgia No. 70 dated 30 June 2011;
2. the Ministry of Justice of Georgia;
3. the Office of the General Prosecutor, Ministry of Justice of Georgia;
4. the Ministry of Internal Affairs of Georgia;
5. the Constitutional Security Department;
6. the Ministry of Defense of Georgia;
7. the Financial Police (now the Investigative Department), Ministry of Finance of Georgia;
8. the Taxation Department (now the Revenue Service of Georgia), Ministry of Finance of Georgia;
9. the National Communications Commission of Georgia;
10. the Tbilisi Municipality;

(Parties 1-10 are referred to as the "Georgian Parties".)

11. Inna Gudavadze ("IG"), born on 20 February 1955 in Tbilisi, Georgia;
12. Iya Patarkatsishvili, born on 17 March 1983 in Tbilisi, Georgia;
13. Liana Zhmotova, born on 6 May 1980 in Tbilisi, Georgia; and
14. Natela Patarkatsishvili, born on 1 May 1933 in Tbilisi, Georgia.

(Parties 11-14 are referred to jointly as the "AP Family Parties".)

(The parties are referred to individually as a "Party" and together as the "Parties".)

### PREAMBLE

- (A) On 12 February 2008, Georgian businessman Arkadi Patarkatsishvili ("AP") passed away. He was survived by, inter alios, his wife, IG, and their two daughters, Iya Patarkatsishvili and Liana Zhmotova, his son, David Patarkatsishvili, by his mother

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Natela Patarkatsishvili and by his sisters Mzia Tortladze and Nana Patarkatsishvili and half-brother Jakob Patarkatsishvili.

- (B) Prior to the passing away of AP, criminal proceedings N2-090071372 (November 2007), N 74078439 (7 November 2007) and 74078497 (28 December 2007) were brought against him by the Georgian authorities (the "Georgian Criminal Proceedings"). The Georgian Criminal Proceedings continued following the passing away of AP and remain ongoing.
- (C) Before and following the passing away of AP, certain judicial orders were issued in connection with the Georgian Criminal Proceedings, effectively freezing assets belonging to AP, namely orders in criminal case number N2-090071372 with registered numbers N12/76, N12/341 and N12/503, which orders have been lifted as of the date of this Settlement Agreement.
- (D) Following the passing away of AP, the management and control of his estate (the "AP Estate") has given rise to extensive litigation before the courts of a number of jurisdictions, none of which involve the Georgian Parties. Such litigation includes:
  - (i) An action currently pending before the Supreme Court of Georgia numbered AS-967-1246-09, in which IG requests a ruling that a "Letter of Wishes" and "Deed of Appointment of Executor of the Estate" (appointing Joseph Kay as executor), both dated 14 November 2007 and apparently signed by AP, are null and void ab initio. The specific request for such a ruling shall be referred to as "Request 1".
  - (ii) An action pending in Tbilisi City Court numbered N2/4669-08, in which IG requests the dismissal of a petition by Joseph Kay that a certain title deed issued by Notary Public Irma Piriskhalava to IG on 3 October 2008 be declared invalid. The specific request for such a ruling shall be referred to as "Request 2".
  - (iii) An action pending in Tbilisi City Court numbered N2/1967-08, in which IG and other AP Family Parties request that a defamation claim brought by Joseph Kay be dismissed. The specific request for such a ruling shall be referred to as "Request 3".

These three actions shall collectively be referred to as the "Georgia Court Litigation". Requests 1, 2 and 3 shall collectively be referred to as the "AP Family Parties' Claim".

- (E) The litigation arising out of the management and control of the AP Estate further includes an action before the English High Court and numbered HC08C0359, brought by AP's former business associate Boris Berezovski against IG and Joseph Kay, pursuant to which Mr. Berezovski claims ownership of 50% of all AP's investments.
- (F) On 10 December 2008 IG sent a notice of arbitration to the Georgian Parties, pursuant to the Law Of Georgia On Promotion Of Investments And Guarantees (the "Arbitration"). Acting in her capacity as beneficiary of a 50% matrimonial share in the AP Estate, IG alleges in the Arbitration that two specific assets, Imedi TV and a lease between the Tbilisi Municipality and Lynx Ltd relating to Mtatsminda Park (an

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amusement park located in the hills above Tbilisi), belonged to her husband, and were the subject of expropriatory actions attributable to some of the Georgian Parties, both before and after the passing away of AP. In the Arbitration, IG and her daughters request to be given ownership of Imedi TV and that the lease on Mtatsminda Park be reinstated or, in the alternative, seek compensation in an amount preliminarily assessed as exceeding US\$ 400 million.

- (G) By an application to amend the claim dated 9 April 2010, IG sought to bring additional claims over Imedi TV and Mtatsminda Park, on the basis of her alleged right as heir to AP, and to join her daughters Iya Patarkatsishvili and Liana Zhmotova as new claimants in the Arbitration, on the basis of their alleged rights as heirs to AP.
- (H) The Georgian Parties continue to deny all the allegations of wrongdoing made in the Arbitration by IG and her daughters.
- (I) Pursuant to a Procedural Order dated 9 October 2009, the Arbitration was bifurcated so that jurisdictional objections raised by the Georgian Parties, and the subsequent application to amend the claim, would be heard and resolved as a preliminary matter. A jurisdictional hearing was scheduled to take place on 28-30 April 2011 in Paris.
- (J) In discussions held in early 2011, the Parties expressed their mutual interest in settling the Arbitration.
- (K) The AP Family Parties remain unwilling to enter into any settlement unless and until (i) the Georgian Criminal Proceedings have been finally closed and (ii) the Georgia Court Litigation has been finally resolved and the AP Family Parties' Claim successfully determined in their favour in all material respects, all of which are matters as to which the Georgian Parties have no control. The events listed in items (i) and (ii) above are referred to as the "AP Family Issues".
- (L) In this context, the Parties have previously agreed to suspend the Arbitration and, subject to the outcome of such AP Family Issues, have agreed to settle all disputes between them, as set out in this Settlement Agreement, in consideration of the mutual concessions set forth below.

IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:

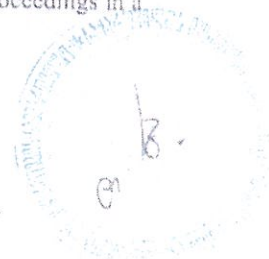
I. FINAL RESOLUTION OF THE AP FAMILY ISSUES

- (1) For the purposes of this Settlement Agreement:
  - (a) "Final Resolution of the AP Family Parties' Claim" shall mean that the competent Georgian court has issued a final and non-appealable decision that has the effect of finally disposing of the Georgia Court Litigation in a manner that upholds the AP Family Parties' Claim in all material respects and, in particular and for the avoidance of doubt, by the competent Georgian court delivering a final judgment in favour of the AP Family recognising that the "Letter of Wishes" and "Deed of Appointment" are null and void ab initio.
  - (b) "Closure of the Georgian Criminal Proceedings" shall mean that the competent Georgian authority has issued a final and non-appealable decision that has the effect of disposing of all claims in such Criminal Proceedings in a

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manner that prevents any such claims being re-asserted or advanced in any further form against AP, the AP Estate or anyone at all.

- (2) The "Final Resolution of the AP Family Issues" shall be deemed to occur on the last date when each of the following shall conclusively have taken place, provided that Request 1 is finally determined (for the purposes of Final Resolution of the AP Family Parties' Claim) by 15 August 2011 and that the remainder all take place by no later than 31 December 2011:
  - (a) Final Resolution of the AP Family Parties' Claim; and
  - (b) Closure of the Georgian Criminal Proceedings.
- (3) The Final Resolution of the AP Family Issues shall be a condition precedent to the entry into force of the waivers, releases, discharges and undertakings provided in Article III of this Settlement Agreement. In the event that the AP Family Issues shall not all have been resolved for the purposes of clause (2) above by 31 December 2011, the Parties shall promptly meet to discuss the settlement of the Arbitration. If such meeting does not result in an agreement among the Parties within one calendar month of such meeting, then any Party shall be free to resume the Arbitration.

## II. TAX COMPROMISE

- (1) In furtherance of this Settlement Agreement, the Georgian Parties undertake to waive to the fullest extent permitted by Georgian law the right to recover any outstanding taxes due as at the date of this Settlement Agreement to the Georgian government by the companies listed in Appendix A. For such purpose, within 20 days following the Final Resolution of the AP Family Issues, Georgia (or, alternatively, such of the Georgian Parties as are capable of entering into the following) and the companies listed in Appendix A will enter into tax agreements in accordance with Georgian law for that purpose (the "Tax Compromise"). The Georgian Parties further undertake to provide all administrative assistance within their power in completing the liquidation of the companies listed in Appendix A.
- (2) Fulfillment of the Tax Compromise shall be a condition precedent to the entry into force of the waivers, releases, discharges and undertakings provided in Article III of this Settlement Agreement. In the event that the Tax Compromise shall not have occurred by 31 December 2011, the Parties shall promptly meet to discuss the settlement of the Arbitration. If such meeting does not result in an agreement among the Parties within one calendar month of such meeting, then any Party shall be free to resume the Arbitration.

## III. SETTLEMENT UNDER CONDITIONS PRECEDENT

Immediately and automatically effective on the date of Final Resolution of the AP Family Issues or the Tax Compromise, whichever occurs last (the "Effective Date"):

- (1) All claims in the Arbitration shall be withdrawn with prejudice. To this end, within ten calendar days of the Effective Date, IG or her legal advisers shall immediately write to the arbitral tribunal appointed in the Arbitration, advising it that the dispute has been settled, withdrawing the Arbitration and all claims irrevocably and with

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prejudice, and advising it that the Georgian Parties and IG will each bear half of the arbitrators' fees and administrative costs in relation to the Arbitration (the "Withdrawal Letter"). Within five calendar days of the receipt of the Withdrawal Letter, the Georgian Parties shall write to the same arbitral tribunal acknowledging and confirming the contents of the Withdrawal Letter.

- (2) The AP Family Parties, for themselves and all entities they control, their successors, assigns, officers, duly appointed agents, and representatives for the purposes of the Settlement Agreement, irrevocably and forever discharge and release the Georgian Parties, as well as any of Georgia's organs, agencies, instrumentalities (including all organizations directly or indirectly owned or controlled by Georgia), agents and representatives for the purposes of the Settlement Agreement, from any and all claims, suits, rights, causes of action or demands in litigation or arbitration for money damages or other relief to remedy any alleged harm, pecuniary or non-pecuniary loss, damage or injury, whether direct or indirect, contingent or actual, past, present or future, currently known or unknown, pled or unpled, which they had, have, or may have, in connection with any facts, circumstances, acts, transactions, and/or events that have already occurred as at the date of this Settlement Agreement, arising out of or in any way related to any asset or right of any nature that is or was controlled by, or belongs or belonged to, or is alleged to be controlled or have been controlled by or to belong or have belonged to, AP or the AP Estate or any of the AP Family Parties (including, without limitation, the following assets: Imedi TV (including any loans extended to Imedi TV, directly or indirectly, by AP), Mtatsminda Park, Agara Sugar Factory, and Standard Capital Georgia LLC). For the avoidance of doubt this Sub-Article (2) shall not affect any Party's right to enforce the rights and obligations created pursuant to this Settlement Agreement or any investment protection rights in relation thereto.
- (3) The AP Family Parties confirm (for the avoidance of doubt) that, as at the date of this Settlement Agreement:
  - (a) They have no further claims in relation to Imedi TV against the current owner of Imedi TV or against the Georgian Parties, or against any of Georgia's organs, agencies, instrumentalities (including all organizations directly or indirectly owned or controlled by Georgia), agents or representatives.
  - (b) They have no further claims in relation to Mtatsminda Park or Lynx Ltd against the Georgian Parties, as well as against any of Georgia's organs, agencies, instrumentalities (including all organizations directly or indirectly owned or controlled by Georgia), agents or representatives, or against the current leaseholder and operator of Mtatsminda Park.
- (4) The AP Family Parties undertake, jointly and severally, to indemnify and hold the Georgian Parties, as well as any of Georgia's organs, agencies, instrumentalities (including all organizations directly or indirectly owned or controlled by Georgia), agents and representatives, harmless against any claims, proceeding and/or action, including legal fees incurred in connection therewith ("Claims"), that may be taken against any of such parties by any person or entity in connection with any alleged rights (whether creditor, matrimonial, succession or other rights) relating to Imedi TV, Mtatsminda Park and/or Lynx Ltd, or to any assets in, or alleged to be part of, the AP Estate in Georgia (whether before, pending, or after the distribution of assets),

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including without limitation any claims or actions brought or that may be brought by Boris Berezovski, Olga Safonova, David Patarkatsishvili, Mzia Tortladze, Nana Patarkatsishvili, Iakob Patarkatsishvili and/or actual or former shareholders of Imedi TV; provided that the indemnity provided in this Sub-Article (4) shall not cover any Claims arising out of acts or omissions of the Georgian Parties which occurred, with respect to Imedi TV after 18 February 2008 and before the date of this Settlement Agreement or, with respect to Mtatsminda Park, after September 2008 and before the date of this Settlement Agreement or any Claims from Mr Joseph Kay or any associate or affiliate of his at any time in any respect whatsoever. The AP Family Parties and the Georgian Parties mutually undertake to cooperate with each other in good faith in defending any such Claims, proceeding and/or action. Without prejudice to the aforesaid, the obligation of the AP Family Parties to indemnify Claims will be subject to the obligation of the Georgian Parties, as appropriate, to give prompt and reasonable notice to the AP Family Parties of any fact, matter or circumstances which might result in a Claim and not to admit liability or make or agree any payment or compromise in respect of any such Claim (without the express written consent of the AP Family Parties) and if requested to do so by the AP Family Parties to enable them and/or their professional advisers to have conduct of all aspects of such Claims on behalf of the Georgian Parties or any and all of them including conduct of any legal proceeding and/or action. For the purposes of this Sub-Article (4) the Georgian Parties confirm that they are not aware of any fact, matter or circumstances which might reasonably give rise to a Claim.

#### IV. UNDERTAKING SUBSEQUENT TO THE SETTLEMENT

The Parties agree to negotiate in good faith and procure, within two calendar months (or such other period as may be agreed in writing between the Parties) following the Withdrawal Letter, that the Tbilisi Municipality, as lessor, and an entity belonging to AP Family Parties, as lessee, shall sign a new lease on Mtatsminda Park, which new lease shall be on reasonable terms and cover substantially the same territory as the lease dated 11 April 2007 between Lynx Ltd. and the Tbilisi Municipality and shall be regarded by the Parties as an investment.

#### V. NO ADMISSION OF LIABILITY

This Settlement Agreement shall not be construed as an admission of liability or wrongdoing on the part of any Party, nor (except as expressly provided by this Settlement Agreement) as any concession, acknowledgement or agreement by any Party.

#### VI. COSTS AND EXPENSES

The Georgian Parties and the AP Family Parties shall each bear their own costs (including legal fees and all expenses) in connection with the Arbitration and the negotiation, preparation and completion of this Settlement Agreement, and fulfillment of any obligations in connection with this Settlement Agreement. Additionally, the Georgian Parties and the AP Family Parties shall each bear half of the arbitrators' fees and administrative costs in relation to the Arbitration, and no Party shall seek any compensation from the other Party for arbitrators' fees and/or administrative costs borne in relation to the Arbitration.

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VII. CONFIDENTIALITY

This Settlement Agreement shall be treated by the Parties as strictly confidential, shall not be disclosed to any third parties, other than the Parties' lawyers, consultants or advisers, or as required by law.

VIII. ENTIRE AGREEMENT

Save as may be expressly agreed in writing between the Parties, this Settlement Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous oral or written agreements, negotiations, or discussions with respect to the subject matter hereof.

This Settlement Agreement may not be altered, modified, or amended, nor may any of its provisions be waived, unless by agreement in writing duly executed by the authorized representatives of the Parties.

IX. DRAFTING OF SETTLEMENT AGREEMENT

The Parties agree that they shall be deemed co-drafters in the event of any interpretation or construction of the terms of this Settlement Agreement and, therefore, that no *contra proferentem* presumption shall apply.

X. GOVERNING LAW

This Settlement Agreement and any non-contractual obligations arising out of or in relation to this Agreement shall be governed by and interpreted in accordance with the laws of England to the exclusion of its conflict of laws rules.

XI. ARBITRATION

All disputes arising out of or in connection with this Settlement Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The place of arbitration shall be Paris, and the language of the arbitration shall be English. For purposes of arbitrator appointment, the AP Family Parties, on the one hand, and the Georgian Parties, on the other hand, shall each be considered as one party.

XII. REPRESENTATION OF GEORGIAN PARTIES

For the purpose of this Settlement Agreement, the Georgian Parties are all represented by Party No. 1, Georgia.

XIII. AUTHORITY AND POWER

Each individual executing this Agreement on behalf of a Party hereto represents and warrants that he or she has been fully empowered by such Party to execute this Agreement and that all necessary action to authorise execution of this Agreement by him or her has been taken by him or her and such Party.

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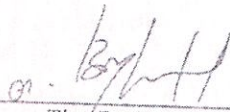
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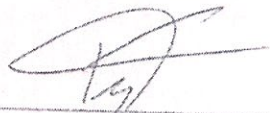
XIV. COUNTERPARTS


This Settlement Agreement may be executed in any number of counterparts and by different Parties on separate counterparts, each of which is an original but, together, they constitute one and the same agreement. The Georgian Parties shall receive one signed original of this Settlement Agreement and the AP Family Parties shall receive the other signed original. This Settlement Agreement shall be considered to have been executed only when all Parties have signed the Settlement Agreement and signed counterparts have been exchanged among the Parties.

For and on behalf of the Georgian Parties

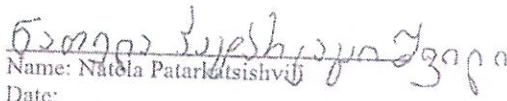
  
Name: Tina Burjaliani  
Position: First Deputy Minister of Justice  
Date: 6.07.2011

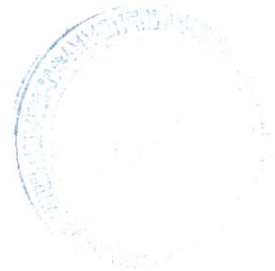
The AP Family Parties:

  
Name: Inna Gudavadze  
Date: 6.07.11

  
Name: Iya Patarkatsishvili  
Date: 6.07.11

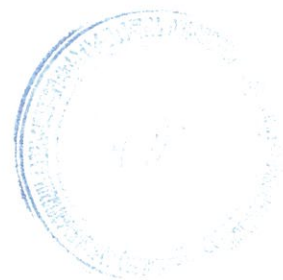
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Name: Liana Zhmotova  
Date:

  
Name: Natela Patarkatsishvili  
Date: 6.07.11





Appendix A  
List of Companies



List of Companies for Tax Settlement / Support in Liquidation

	კომპანიების დასახელება	Company Name	Notes	Tax Settlement	Liquidation
1	შპს სტანდარტ კაპიტალ საქართველო	Standard Capital Georgia LLC		Yes	Yes
2	შპს ფინანსური ინვესტიციების მართვის კომპანია	Financial Investment Management Company LLC		Yes	Yes
3	საინვესტიციო ფონდი სტანდარტ კაპიტალ საქართველო	Investment Fund Standard Capital Georgia		Yes	Yes
4	სააქციო საზოგადოება მსუდო	ISC Maudi		Yes	
5	შპს ლინქსი	Lynx LLC	If we take over	Yes	
6	შპს მთაწმინდა ლინქსი	Mtsaminda Lynx LLC	If we take over	Yes	
7	შპს ეი-ში მენეჯმენტი	AP Management LLC		Yes	
8	შპს ვესტერნ სთ ჯორჯია	Western Sun Georgia LLC		Yes	Yes
9	შპს ზურგვანი	Zurgovani LLC		Yes	
10	შპს საქართველოს ტელეკომი	Georgia Telecom LLC			Yes
11	შპს დიგონი რივიერა ვენტურსი	Digoni Riviera Ventures LLC		Yes	Yes
12	შპს დივი დეველოპმენტ ჯორჯია	Divy Development Georgia LLC		Yes	Yes
13	შპს ბელაირი	Belair LLC		Yes	
14	ვიდეო მედია	VidP Media		Yes	
15	იბერიული	IberiaTel		Yes	
16	ეპოქა 2000	Epoqa 2000		Yes	
17	სინეტა	Sineta		Yes	

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*Handwritten signature*



Amendment to Settlement Agreement dated 6 July 2011

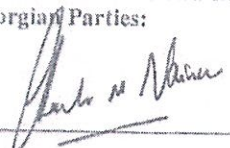
PREAMBLE

- (A) Georgia and certain Georgian governmental entities (the "Georgian Parties") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "AP Family Parties") entered into a Settlement Agreement dated 6 July 2011 (the "Settlement Agreement").
- (B) Article II (1) of the Settlement Agreement requires that certain Georgian Parties and certain companies listed in Appendix A to the Settlement Agreement enter into certain tax agreements in accordance with Georgian law (the "Tax Compromise") within 20 days following the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) The Final Resolution of the AP Family Issues, as defined in the Settlement Agreement, has now occurred, but the Georgian Parties and the companies listed in Appendix A will not be able to complete the Tax Compromise within 20 days following such event.

IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:

The Georgian Parties and the AP Family Parties have agreed to amend the Settlement Agreement as follows. Notwithstanding anything to the contrary in Article II (1) of the Settlement Agreement, Georgia (or, alternatively, such of the Georgian Parties as are capable of entering into the following) and the companies listed in Appendix A to the Settlement Agreement shall have until 31 December 2011 to enter into tax agreements in accordance with Georgian law for the purpose of the Tax Compromise.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.

<p>Signed this ___ day of October 2011 by Graham Huntley for and on behalf of the AP Family Parties:</p> <hr/> <p>Name: Graham Huntley, Hogan Lovells International LLP</p>	<p>Signed this 11th day of October 2011 by Charles Nairac for and on behalf of the Georgian Parties:</p>  <hr/> <p>Name: Charles Nairac, White &amp; Case LLP</p>
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Second Amendment to Settlement Agreement dated 6 July 2011

PREAMBLE

- (A) Georgia and certain Georgian governmental entities (the "Georgian Parties") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "AP Family Parties") entered into a Settlement Agreement dated 6 July 2011 (the "Settlement Agreement").
- (B) Article II (1) of the Settlement Agreement requires that certain Georgian Parties and certain companies listed in Appendix A to the Settlement Agreement enter into certain tax agreements in accordance with Georgian law (the "Tax Compromise") within 20 days following the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) By amendment signed on 11 October 2011 (the "First Amendment"), the Georgian Parties and the AP Family Parties agreed to extend the period for the Georgian Parties and the companies listed in Appendix A to complete the Tax Compromise to 31 December 2011.
- (D) The Georgian Parties and the companies listed in Appendix A may not be able to complete the Tax Compromise by 31 December 2011.

IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:

The Georgian Parties and the AP Family Parties have agreed to amend the Settlement Agreement and the First Amendment as follows. Notwithstanding anything to the contrary in Article II (1) of the Settlement Agreement and the First Amendment, Georgia (or, alternatively, such of the Georgian Parties as are capable of entering into the following) and the companies listed in Appendix A to the Settlement Agreement shall have until 31 January 2012 to enter into tax agreements in accordance with Georgian law for the purpose of the Tax Compromise.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.

Signed this \_\_\_\_ day of December 2011 by  
Graham Huntley for and on behalf of the  
AP Family Parties:

Name: Graham Huntley, Hogan Lovells  
International LLP

Signed this 6<sup>th</sup> day of December 2011 by  
Paul Friedland for and on behalf of the  
Georgian Parties:

Name: Paul Friedland, White & Case LLP



**Third Amendment to Settlement Agreement dated 6 July 2011**

**PREAMBLE**

- (A) Georgia and certain Georgian governmental entities (the "**Georgian Parties**") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "**AP Family Parties**") entered into a Settlement Agreement dated 6 July 2011 (the "**Settlement Agreement**").
- (B) Article II (1) of the Settlement Agreement requires that certain Georgian Parties and certain companies listed in Appendix A to the Settlement Agreement enter into certain tax agreements in accordance with Georgian law (the "**Tax Compromise**") within 20 days following the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) By amendment signed on 11 October 2011 (the "**First Amendment**"), the Georgian Parties and the AP Family Parties agreed to extend the period for the Georgian Parties and the companies listed in Appendix A to complete the Tax Compromise to 31 December 2011.
- (D) By amendment signed on 30 December 2011 (the "**Second Amendment**"), the Georgian Parties and the AP Family Parties agreed to extend the period for the Georgian Parties and the companies listed in Appendix A to complete the Tax Compromise to 31 January 2012.
- (E) The Georgian Parties and the companies listed in Appendix A may not be able to complete the Tax Compromise by 31 January 2012.

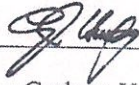
**IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:**

The Georgian Parties and the AP Family Parties have agreed to amend the Settlement Agreement as amended as follows. Notwithstanding anything to the contrary in Article II (1) of the Settlement Agreement and the First and Second Amendments, Georgia (or, alternatively, such of the Georgian Parties as are capable of entering into the following) and the companies listed in Appendix A to the Settlement Agreement shall have until 15 February 2012 to enter into tax agreements in accordance with Georgian law for the purpose of the Tax Compromise.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.



Signed this 7 day of February 2012 by  
Graham Huntley for and on behalf of the  
AP Family Parties:



\_\_\_\_\_  
Name: Graham Huntley, Hogan Lovells  
International LLP

Signed this \_\_\_\_ day of February 2012 by  
Charles Nairac for and on behalf of the  
Georgian Parties:

\_\_\_\_\_  
Name: Charles Nairac, White & Case LLP



ADDITIONAL DEED OF AGREEMENT

This Additional Deed of Agreement is made between:

1. Georgia, duly represented by Tina Burjaliani, First Deputy Minister of Justice of Georgia, authorized to represent Georgia and to conclude this Additional Agreement by virtue of Decree of the President of Georgia No. 70 dated 30 June 2011;
2. the Ministry of Justice of Georgia;
3. the Office of the General Prosecutor, Ministry of Justice of Georgia;
4. the Ministry of Internal Affairs of Georgia;
5. the Constitutional Security Department;
6. the Ministry of Defense of Georgia;
7. the Financial Police (now the Investigative Department), Ministry of Finance of Georgia;
8. the Taxation Department (now the Revenue Service of Georgia), Ministry of Finance of Georgia;
9. the National Communications Commission of Georgia;
10. the Tbilisi Municipality;

(Parties 1-10 are referred to as the "Georgian Parties".)

11. Inna Gudavadze ("IG"), born on 20 February 1955 in Tbilisi, Georgia;
12. Iya Patarkatsishvili, born on 17 March 1983 in Tbilisi, Georgia;
13. Liana Zhnotova, born on 6 May 1980 in Tbilisi, Georgia; and
14. Natela Patarkatsishvili, born on 1 May 1933 in Tbilisi, Georgia.

(Parties 11-14 are referred to jointly as the "AP Family Parties".)

(The parties are referred to individually as a "Party" and together as the "Parties".)

(Collectively the "AP Family Parties")

PREAMBLE

The Georgian government is interested in promoting, within the framework of Georgian law, the AP Family Parties' fullest participation and investment in the economic development of

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Georgia and to benefit from the investments that they have indicated they stand ready to pursue once the arbitration initiated by Inna Gudavadze on 10 December 2008 pursuant to the Law Of Georgia On Promotion Of Investments And Guarantees has been finally resolved or settled.

Reference is made in that regard to the Settlement Agreement, dated 6 July 2011, by and between the Georgian Parties and the AP Family Parties (the "Settlement Agreement"). Capitalized terms used herein without definition shall have the meanings set forth in the Settlement Agreement.

#### AGREEMENT

In addition to the undertakings specified in the Settlement Agreement, the Parties agree that:

- (a) The Georgian Parties (so far as applicable to any and all of them) shall arrange and procure the transfer from any applicable third party to an entity designated by Inna Gudavadze (the "Investor") of the assets of the former Rustavi Metallurgical Plant, now known as JSC Georgian Steel, located at inter alios, 12 Gagarina Street, Rustavi 3700, Georgia, as more particularly set out both as to immovable property and other assets in the non-exclusive list in **Appendix A** hereto to the extent that the same exists as at the date of this Agreement (the "Rustavi Assets") pursuant to an asset transfer agreement (which shall be regarded as an investment) the terms of which shall be reasonable and shall be negotiated in good faith between the Georgian parties and the AP Family Parties as soon as practicable after execution herewith and which shall include the following general provisions:
  - (i) The transfer as aforesaid to the Investor of all the Rustavi Assets free from all encumbrances and in particular any claim, demand, lien, charge or other liability, including any tax liability, associated with such assets.
  - (ii) The Investor bearing no costs and expenses (other than applicable to notarisation and registration fees) pertaining to the transfer.
  - (iii) The Investor receiving any existing licenses and permits legally required to own and use the same without any costs/expenses attached thereto.
  - (iv) Arbitration of any and all disputes in the same terms as are provided for in this Agreement.
- (b) The Georgian Parties (so far as applicable to any and all of them) shall provide reasonable assistance to the AP Family Parties in relation to the steps to be taken by the AP Family Parties to achieve the transfer of the Rustavi Assets and shall also promptly following execution allow appointed representatives of Inna Gudavadze and/or the Investor access to, and the ability to manage the day to day activities of, the Rustavi Assets.
- (c) The Ministry of Economic Development of Georgia shall sign an agreement with Lanner Holding Ltd in the terms of the draft agreement attached hereto (in Georgian original and, for information only, in English translation) as **Appendix B**.

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If any of the steps in (a) to (c) above shall not have occurred within 20 days of Final Resolution of the AP Family Issues then the Parties agree that the Settlement Agreement shall cease to bind the Parties or have any effect on any of them and shall henceforth be treated as null and void ab initio and in that event the Parties undertake that they shall not seek to rely on any term or provision in it for any purpose as regards any other Party, for which purpose it is agreed that reference may be made to the terms of this letter agreement to the fullest extent necessary to protect the positions of the Parties.

Save as aforesaid, this Deed of Agreement shall be treated by the Parties as strictly confidential, shall not be disclosed to any third parties, other than the Parties' lawyers, consultants or advisers, or as required by law.

This Deed of Agreement shall be governed by and interpreted in accordance with the laws of England.

All disputes arising out of or in connection with this Deed of Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The place of arbitration shall be Paris, France, and the language of the arbitration shall be English. For purposes of arbitrator appointment, the AP Family Parties shall be considered as one single party and the Georgian Parties shall be considered as the other single party.

This Deed of Agreement may be executed in any number of counterparts and by different Parties on separate counterparts, each of which is an original but, together, they constitute one and the same agreement. The Georgian Parties shall receive one signed original of this Deed of Agreement and the AP Family Parties shall receive the other signed original. This Deed of Agreement shall be considered to have been executed only when all Parties have signed the Deed of Agreement and signed counterparts have been exchanged among the Parties.

By signing this Deed of Agreement Tina Burjaliani, as First Deputy Minister of Justice of Georgia, warrants and represents that she has full authority and power to enter into the terms of this letter agreement on behalf of, and to bind, each of the Georgian Parties.

Signed this 6 day of July 2011 as a deed by Tina Burjaliani

..... *Tina Burjaliani* .....

In the presence of:

Name *Lasha Arveladze*.....

Address *24a Gogasali St.*  
*Tbilisi Georgia*.....

Occupation *Lawyer*.....

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Signed this 6 day of July 2011 as a deed by Inna Gudavadze

*[Handwritten signature]*

In the presence of:

Name BEN MARSON  
Address 110 PARK ST.  
LONDON W1K  
Occupation SOLICITOR

*[Handwritten signature]*

Signed this 6 day of July 2011 as a deed by Iya Patarkatsishvili

*[Handwritten signature]*

In the presence of:

Name Lasha Birkaia  
Address 22 B. Gagelashvili str.  
Tbilisi Georgia  
Occupation Lawyer

*[Handwritten signature]*

Signed this day of July 2011 as a deed by Liana Zhmotova

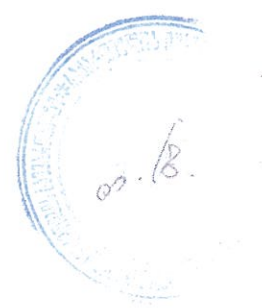
In the presence of:

Name  
Address  
Occupation

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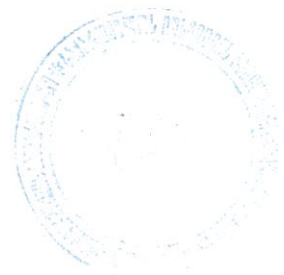
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**Appendix A**  
**Rustavi Assets**



NON-EXCLUSIVE LIST OF IMMOVABLE PROPERTY

1. The territory of the Plant with total area of 327, 3594 hectares with buildings ranging from N.1 to N. 335 thereon, address Rustavi, 12 Gagarini Str., Georgia. In 2008 it was a one entire land which was divided for several times afterwards and as of today it is separated into 5 parts:
  - (a) The land parcel with area of 2,8382 hectares, cadastral code N. 02.07.02.520, which was in the ownership of Georgian Steel as of June 2009.
  - (b) The land parcel with area of 3,2422 hectares, cadastral code N. 02.07.02.521.
  - (c) The land parcel with area of 317,6515 hectares, cadastral code N. 02.07.02.522.
  - (d) The land parcel with area of 2,8146 hectares, cadastral code N. 02.07.02.486.
  - (e) The land parcel with area of 0,8129 hectares, cadastral code N. 02.07.02.477.
2. The land parcel with area of 2,0 hectares, the so called forest swamp, cadastral code 02.06.01.023, address Rustavi, 12 Gagarini Str., Georgia.
3. The land parcel with area of 115,5308 hectares, the so called slag dump territory, cadastral code 02.06.01.02, address Rustavi, 12 Gagarini Str., Georgia.
4. The land parcel with area of 0,7031 hectares, cadastral code 02.07.02.475, address Rustavi, 12 Gagarini Str., Georgia, supposedly, with Plant's Administration building thereon.
5. The land parcel with area of 1,0558 hectares, cadastral code 02.07.02.037, address Rustavi, Gagarini Str., adjacent area, Georgia, with various buildings (from 0.1. to 0.9) thereon.

MATERIAL ASSETS

Material assets of Rustavi Metallurgical Plant (hereinafter "RMP") include the following: Plot of land of 4 891 702 meter squares and other material assets on such land, including without limitation:

1. Martenistic Shop
2. Lime and Dolomite Shop
3. Rolling Shop
4. Rebar Shop
5. Tube Rolling Shop

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6. Tube- Drawing Shop
7. Service Shops and Laboratories
8. Slag Dump
9. Lime and Dolomite Mines
10. Stadium
11. Auto Transport

All and any other assets located within the territory of RMP and necessary for the operation of the RMP.

Material Assets of JSC Tuji XXI

Material assets of JSC Tuji XXI (hereinafter TUJI) include the following: Plot of land with area over 78 hectares and other material assets on such land, including without limitation:

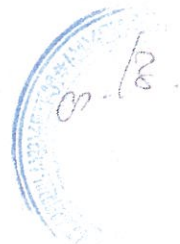
12. Sinter Factory
13. Sintering Shop
14. Blast-Furnace Plant

All and any other assets located within the territory of TUJI and necessary for the operation of the RMP.

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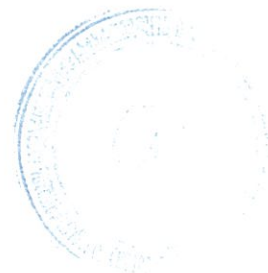
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**Appendix B**

**Draft Agreement between Ministry of Economic  
Development of Georgia and Lanner Holding Ltd  
(in Georgian original and, for information only, in  
English translation)**



შ ე თ ა ნ ხ მ ე ბ ა  
მ თ რ ი გ ე ბ ი ს თ ა ო ზ ა ხ ე

საქართველო, ქ. თბილისი

2011 წლის - —

ერთი მხრივ, საქართველოს უკონომიკისა და მდგრადი განვითარების სამინისტრო  
წარმოდგენილი [.....], მოქმედი [საფუძველი], (შემდგომში - „სამინისტრო“);

და

მეორე მხრივ, „ღანნერ პოლდინგს ლიმითედი“ წარმოდგენილი [.....], მოქმედი  
[საფუძველი], (შემდგომში - „ინვესტორი“ ან „ღანნერ პოლდინგს ლიმითედი“);

ერთობლივად წოდებული „მხარეები“;

ხელმძღვანელობენ რა:

- 2007 წლის 30 ოქტომბერს ქ. თბილისის საქალაქო სასამართლოში მხარეთა  
შორის არსებულ დავასთან (საქმე №2/12625-06) დაკავშირებით დამტკიცებულ  
მორიგების აქტით (შემდგომში - „მორიგების აქტი“);

- „მორიგების აქტის“ თანახმად, „ღანნერ პოლდინგს ლიმითედი“, სს „პოლდინგს“  
ტერიტორიაზე ინვესტიციის განხორციელებასთან დაკავშირებით, იკისრა  
საინვესტიციო ვალდებულებების შესრულება 2007 წლის 30 ოქტომბრიდან 2010  
წლის 30 ოქტომბრამდე ასევე, აიღო არანაკლებ 500 პირის დასაქმების  
ვალდებულება;

- საქართველოს მთავრობის 2009 წლის 22 დეკემბრის №1011, 2011 წლის 3  
მაისის №968 და 2011 წლის 27 ივნისის №1345 განკარგულებების (შემდგომში -  
„მთავრობის განკარგულებები“) საფუძველზე, „ღანნერ პოლდინგს ლიმითედი“  
გადაუვადდა ვალდებულებების შესრულების ვადა 2011 წლის 31 აგვისტომდე;

ყოველივე ზემოაღნიშნულის გათვალისწინებით, წინამდებარე მორიგების  
თაობაზე შეთანხმებით (შემდგომში - „შეთანხმება“) „მხარეები“ თანხმდებიან  
შემდეგზე:

მუხლი I

I.1. „სამინისტრო“ უარს ამბობს „მორიგების აქტით“ განსაზღვრული  
„ინვესტორის“ ყველა ვალდებულების შესრულების მოთხოვნის უფლებაზე. მათ  
შორის:

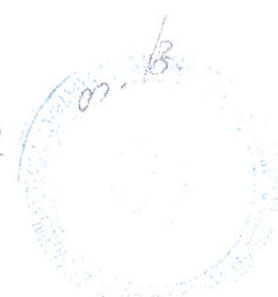
ა) 30 000 000 აშშ დოლარის ღირებულების ინვესტიციის განხორციელება;

ბ) არანაკლებ 500 პირის დასაქმების ვალდებულება.

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მუხლი 2.

2.1. „სამინისტრო“ ერთმნიშვნელოვნად ადასტურებს, რომ ვალდებულებების შესრულებლობისათვის ან არაფეროვანი შესრულებისათვის, არ მიმართავს „მორიგების აქტის“ მე-2 პუნქტით განსაზღვრული დონისძიებებს, კერძოდ:

ა) „სამინისტროს“ გადასცეს „ღიანნერ პოლდინგის საკუთრებაში“ არსებული აქციები“ („აქციები“ განიშარტება „მორიგების აქტით“ განსაზღვრული მნიშვნელობით); ან

ბ) „სამინისტროს“ გადასცეს „ტერიტორია“ („ტერიტორია“ განიშარტება „მორიგების აქტით“ განსაზღვრული მნიშვნელობით); ან,

გ) შოთხოვოს განსახორციელებელი ინვესტიციის 40% ოდენობით ზიანის აზღაურება.

2.2. „სამინისტრო“ აცხადებს და ადასტურებს, რომ არ შოთხოვოს „ინვესტირისაგან“ „მორიგების აქტით“ განსაზღვრული პირობების, ან ამ მუხლის 2.1. პუნქტის ა), ბ), გ) ქვეპუნქტებით გათვალისწინებული რომელიმე ქმედების შესრულებას.

2.3. „სამინისტროს“ არ აქვს და არ ვქნება რაიმე სხვა სახის შოთხოვნა ან/და პრეტენზია „მორიგების აქტიდან“ ან/და „შთავრობის განკარგულებებიდან“ გამომდინარე „ღიანნერ პოლდინგ ლიმიტედის“, სს „მაუდის“, შათი უფლებამოსიანთა ცვლადების მიმართ, (შათ შორის, სს „მაუდის“ აქციების და სს „მაუდის“ უძრავ-მომრავ ქონებასთან და სხვა აქტივებთან დაკავშირებით).

მუხლი 3

3.1. ამ შეთანხმების მიზნებისთვის, „სამინისტრო“ იღებს ვალდებულებას მიმართოს სავალდებულო რეესტრს „აქციებისა“ და „ტერიტორიაზე“ რეგისტრირებული უფლებების, შესაძლების, ყადაღის ან ვალდებულებების მოხსნის თაობაზე „ღიანნერ პოლდინგ ლიმიტედის“ სასარგებლოდ, თუ ამგვარი უფლება, შესაძლება, ყადაღა ან ვალდებულება „სამინისტროს“ სასარგებლოდ რეგისტრირებულია „მორიგების აქტის“ საფუძველზე. „სამინისტროს“ ასეთი ქმედების გარეშე, „შეთანხმება“ წარმოადგენს შესაბამის მარეგისტრირებულ ორგანიზებში (სავალდებულო რეესტრი, სამეწარმეო რეესტრი, დამოუკიდებელი რეესტრატორი) ზემოაღნიშნული შესაძლებლების მოხსნის საფუძველს.

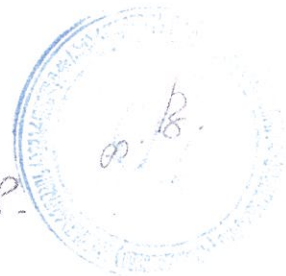
3.2. „შეთანხმების“ სელმოწერის დღისათვის, „სამინისტრო“ თავისი კომპეტენციის ფარგლებში „მორიგების აქტის“ და ამ „შეთანხმების“ მიზნებისათვის და შათივე პირობების გათვალისწინებით, ერთმნიშვნელოვნად, უპირობოდ და შეუქცევადად ადასტურებს „ღიანნერ პოლდინგ ლიმიტედის“ ერთპიროვნულ, ყოველგვარი შესაძლების, ვალდებულებების თუ სხვა ნებისმიერი დატვირთვისგან თავისუფალ და უპირობო საკუთრების უფლებას „აქციებს“ და „ტერიტორიაზე“.

3.3. „სამინისტრო“ ადასტურებს, რომ შის შიერ ამ „შეთანხმებით“ „ღიანნერ პოლდინგ ლიმიტედის“ ვალდებულებების შესრულების მოთხოვნაზე უარის თქმის

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შედგავდ, აღარ არსებობს და არ იარსებებს საადსრულებო წარმოების დაწყების საჭიროება თბილისის საქალაქო სასამართლოს სამოქალაქო საქმეთა კოლეგიის 2007 წლის 30 ოქტომბრის 2/12625-6 განჩინების საფუძველზე. ხოლო სკოლაში მშენებლის მიუხედავად, ასეთი წარმოების დაწყების შემთხვევაში, ეს უკანასკნელი შეწყვეტილი იქნება დაუყოვნებლივ ამ „შეთანხმების“ საფუძველზე.

3.4. „მორიგების აქტითა“ და „მთაწერის განკარგულებებით“ დადგენილი ვალდებულებების გაუქმება, ისევე როგორც ამ „შეთანხმებით“ განსაზღვრული „სამინისტროს“ ვალდებულებების შესრულება არ არის და არც იქნება დამოკიდებული „ლანერ პოლდინგ დიმიტეის“ ან/და სს „მაულის“ მხრიდან რაიმე სახის პირობის ან/და ვალდებულების შესრულებაზე.

ეს შეთანხმება შედგენილია „მხარეთა“ თავისუფალი ნების გამოვლენით 2011 წლის [თარიღი], 2 თანაბარმნიშვნელოვან ეგზემპლარად ქართულ ენაზე.

მხარეთა რეკვიზიტები:

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## Settlement Agreement

Tbilisi, Georgia

\_\_\_\_\_ 2011

On one hand, the Ministry of Economy and Sustainable Development of Georgia represented by [.....], acting [on the basis of], (hereinafter referred to as - Ministry);

and

Lanner Holdings Limited on the other hand, represented by [.....], acting [on the basis of], (hereinafter referred to as an Investor or Lanner Holding Limited);

Jointly referred to as Parties,

Guided by:

- The Settlement Act (hereinafter referred to as a Settlement Act) approved in regards to the dispute (case #2/12625-06) between the parties at the City Court of Tbilisi on October 30, 2007;
- In accordance with the Settlement Act, Lanner Holdings Limited undertook the implementation of investment obligations in connection to the investment in the territory of JSC Maudi, from October 30, 2007 until October 30, 2010; moreover, it took the responsibility to employ no less than 500 people;
- on the basis of the Decrees #1011 dated December 22, 2009; the Decree #968 dated May 2011, and the Decree #1345 dated June 27, 2011, of the Government of Georgia (hereinafter referred to as "government decrees"), the deadline for performing the obligations was prorogated for Lanner Holding Limited until August 31, 2011;

Considering all the above mentioned, by agreeing on this settlement (hereinafter referred to as Agreement), the parties agree on the following:

### Article 1.

1.1. The Ministry waives its right to request the performance of all the obligations of the investor as defined in the Settlement Act. Among them:

G. J.

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- a) Making an investment with the amount of 30,000,000 US dollars;
- b) Obligation to employ no less than 500 people.

Article 2.

2.1. The Ministry clearly confirms that it will not take the measures stipulated in the 2<sup>nd</sup> paragraph of the Settlement Act in case of non fulfillment of obligations or for undue performance, namely:

- a) to transfer the "shares" ("shares" are defined according to the meaning specified in the Settlement Act) owned by Lanner Holding to the Ministry; or
- b) to transfer the "territory" ("territory" is defined according to the meaning specified in the Settlement Act); or,
- c) do request compensation for the loss in the amount of 40% of the investment to be made.

2.2. The Ministry states and confirms that it will not request from the Investor to fulfill conditions under the Settlement Act, or to perform any activity envisaged in the subparagraphs a), b) and c) of the paragraph 2.1. of this Article.

2.3. The Ministry does not and shall not have any other request and/or claim deriving from the Settlement Act and or government decrees, against Lanner Holding Limited, JSC Maudi or their legal successors (among them, in connection to the shares of JSC Maudi and movable and immovable property of JSC Maudi and other assets).

Article 3

3.1. For the purposes of this Agreement, the Ministry undertakes to address the Public Registry on removal any registered rights, limitation, attachment or obligations on the "shares" and on the "territory" for the benefit of Lanner Holdings Limited, if such right, limitation, attachment or obligation has been registered for the favor of the Ministry based on the Settlement Act. Even without such action of the Ministry, the Agreement represents the grounds for lifting the above mentioned limitations at the respective registering bodies (Public Registry, Enterprise Registry, Independent Registrar).

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3.2. For the day of signing the Agreement, the Ministry, within the frameworks of its competency, for the purposes of Settlement Act and this Agreement, and taking into account their terms and conditions, clearly, unconditionally and irreversibly confirms the clear and unconditional entitlement of Lanner Holdings Limited to "shares" and "territory", which is free from any limitation, obligation or any other charge.

3.3. The Ministry confirms that as the result of its waiver under this Agreement to request the performance of obligations by Lanner Holdings Limited, there is not and there will not be any need to initiate enforcement proceedings based on the Ruling 2/12625-6 dated October 30, 2007 of the Chamber of Civil Cases of the Tbilisi City Court. However, despite abovementioned, if such proceedings are initiated, the latter shall be terminated immediately on the basis of this Agreement.

3.4. Annulling the obligations established by the Settlement Act and "government decrees", also performance of obligations of the Ministry as determined in this Agreement, does not and shall not depend on the performance of any condition and/or obligation from the side of Lanner Holdings Limited and/or JSC Maudi.

This Agreement has been made based on the expression of free will of the "Parties" on [date], 2011, in 2 copies of equal force in the Georgian language.

Details of the Parties:

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**Second Deed of Agreement  
Amending Additional Deed of Agreement dated 6 July 2011**

**PREAMBLE**

- (A) Georgia and certain Georgian governmental entities (the "Georgian Parties") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "AP Family Parties") entered into an Additional Deed of Agreement dated 6 July 2011 (the "Deed") as well as a Deed of Agreement Amending Additional Deed of Agreement dated 25 August 2011 (the "Amendment").
- (B) The Deed requires that certain steps listed in Paragraphs (a) to (c) of the Deed (as amended by the Amendment) shall have occurred within 20 days of the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) The Ministry of Economic Development of Georgia and Lanner Holding Ltd have entered into an agreement as contemplated by Paragraph (c) of the Deed, which agreement was approved by Governmental Decree on 12 July 2011, thus completing the steps required in said Paragraph.
- (D) The Final Resolution of the AP Family Issues, as defined in the Settlement Agreement, has now occurred, but the Georgian Parties and the AP Family Parties will not be able to complete certain steps listed in Paragraphs (a) and (b) of the Deed (as amended by the Amendment).

**IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:**

The Georgian Parties and the AP Family Parties have agreed to amend the Deed as follows. Notwithstanding anything to the contrary in the Deed, the Georgian Parties and the AP Family Parties shall have until 31 December 2011 to complete the steps in Paragraphs (a) to (b) of the Deed (as amended by the Amendment). If any steps specified in the said Paragraphs shall not have occurred by 31 December 2011 then the Parties agree that the Settlement Agreement shall cease to bind the Parties or have any effect on any of them and shall henceforth be treated as null and void ab initio and in that event the Parties undertake that they shall not seek to rely on any term or provision in it for any purpose as regards any other Party, for which purpose it is agreed that reference may be made to the terms of this Deed, as amended, to the fullest extent necessary to protect the positions of the Parties.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.



<p>Signed as a Deed this ____ day of October 2011 by Graham Huntley for and on behalf of the AP Family Parties:</p> <hr/> <p>Name: Graham Huntley, Hogan Lovells International LLP</p>	<p>In the presence of:</p> <p>Name: .....</p> <p>Address: .....</p> <p>Occupation: .....</p>
<p>Signed as a Deed this <u>11th</u> day of October 2011 by Charles Nairac for and on behalf of the Georgian Parties:</p> <p><i>Charles Nairac</i></p> <hr/> <p>Name: Charles Nairac, White &amp; Case LLP</p>	<p>In the presence of:</p> <p>Name: <u>Paul Giraud</u>.....</p> <p>Address: <u>19, Place Vendôme</u>..... <u>75001 Paris</u>.....</p> <p>Occupation: <u>Lawyer</u>.....</p>



**Third Deed of Agreement**  
**Amending Additional Deed of Agreement dated 6 July 2011**

**PREAMBLE**

- (A) Georgia and certain Georgian governmental entities (the "**Georgian Parties**") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "**AP Family Parties**") entered into an Additional Deed of Agreement dated 6 July 2011 (the "**Deed**") as well as a Deed of Agreement Amending Additional Deed of Agreement dated 25 August 2011 (the "**First Amendment**").
- (B) The Deed requires that certain steps listed in Paragraphs (a) to (c) of the Deed (as amended by the First Amendment) shall have occurred within 20 days of the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) The Ministry of Economic Development of Georgia and Laner Holding Ltd have entered into an agreement as contemplated by Paragraph (c) of the Deed, which agreement was approved by Governmental Decree on 12 July 2011, thus completing the steps required in said Paragraph.
- (D) The Final Resolution of the AP Family Issues, as defined in the Settlement Agreement, has occurred, but the Georgian Parties and the AP Family Parties agreed by a Second Deed of Agreement Amending Additional Deed of Agreement signed on 11 October 2011 (the "**Second Amendment**") to extend the period to complete the steps lists in Paragraphs (a) and (b) of the Deed (as amended by the First Amendment) to 31 December 2011.
- (E) The Georgian Parties and the AP Family Parties will not be able to complete certain steps listed in Paragraphs (a) and (b) of the Deed (as amended by the First Amendment) by 31 December 2011.

**IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:**

The Georgian Parties and the AP Family Parties have agreed to amend the Deed as follows. Notwithstanding anything to the contrary in the Deed, the First Amendment and the Second Amendment, the Georgian Parties and the AP Family Parties shall have until 31 January 2011 to complete the steps in Paragraphs (a) to (b) of the Deed (as amended by the First Amendment). If any steps specified in the said Paragraphs shall not have occurred by 31 January 2011 then the Parties agree that the Settlement Agreement shall cease to bind the Parties or have any effect on any of them and shall henceforth be treated as null and void ab initio and in that event the Parties undertake that they shall not seek to rely on any term or provision in it for any purpose as regards any other Party, for which purpose it is agreed that reference may be made to the terms of this Deed, as amended, to the fullest extent necessary to protect the positions of the Parties.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.



Signed as a Deed this \_\_\_\_ day of  
December 2011 by Graham Huntley for  
and on behalf of the AP Family Parties:

In the presence of:

Name: .....

Address: .....

\_\_\_\_\_  
Name: Graham Huntley, Hogan Lovells  
International LLP

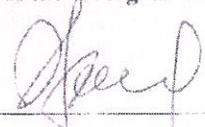
Occupation: .....

Signed as a Deed this 30<sup>th</sup> day of  
December 2011 by Paul Friedland for and  
on behalf of the Georgian Parties:

In the presence of:

Name: Jeanmarie McEnroy

Address: WHITE & CASE LLP

  
Name: Paul Friedland, White & Case LLP

Occupation: FINANCIAL ASSISTANT

1155 Avenue of the Americas  
New York, New York 10020



**Fourth Deed of Agreement  
Amending Additional Deed of Agreement dated 6 July 2011**

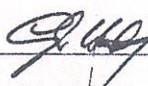
**PREAMBLE**

- (A) Georgia and certain Georgian governmental entities (the "**Georgian Parties**") and Inna Gudavadze, Iya Patarkatsishvili, Liana Zhmotova and Natela Patarkatsishvili (the "**AP Family Parties**") entered into an Additional Deed of Agreement dated 6 July 2011 (the "**Deed**") as well as a Deed of Agreement Amending Additional Deed of Agreement dated 25 August 2011 (the "**First Amendment**").
- (B) The Deed requires that certain steps listed in Paragraphs (a) to (c) of the Deed (as amended by the First Amendment) shall have occurred within 20 days of the Final Resolution of the AP Family Issues, as defined in the Settlement Agreement.
- (C) The Ministry of Economic Development of Georgia and Lanmer Holding Ltd have entered into an agreement as contemplated by Paragraph (c) of the Deed, which agreement was approved by Governmental Decree on 12 July 2011, thus completing the steps required in said Paragraph.
- (D) The Final Resolution of the AP Family Issues, as defined in the Settlement Agreement, has occurred, but the Georgian Parties and the AP Family Parties agreed by a Second Deed of Agreement Amending Additional Deed of Agreement signed on 11 October 2011 (the "**Second Amendment**") to extend the period to complete the steps lists in Paragraphs (a) and (b) of the Deed (as amended by the First Amendment) to 31 December 2011.
- (E) The Georgian Parties and the AP Family Parties further agreed by a Third Deed of Agreement Amending Additional Deed of Agreement signed on 30 December 2011 (the "**Third Amendment**") to extend the period to complete the steps lists in Paragraphs (a) and (b) of the Deed (as amended by the First Amendment) to 31 January 2012.
- (F) The Georgian Parties and the AP Family Parties will not be able to complete certain steps listed in Paragraphs (a) and (b) of the Deed (as amended by the First Amendment) by 31 January 2012.

**IT IS NOW HEREBY AGREED AND DECLARED AS FOLLOWS:**

The Georgian Parties and the AP Family Parties have agreed to amend the Deed as follows. Notwithstanding anything to the contrary in the Deed, the First Amendment, the Second Amendment and the Third Amendment, the Georgian Parties and the AP Family Parties shall have until 15 February 2012 to complete the steps in Paragraphs (a) to (b) of the Deed (as amended by the First Amendment). If any steps specified in the said Paragraphs shall not have occurred by 15 February 2012 then the Parties agree that the Settlement Agreement shall cease to bind the Parties or have any effect on any of them and shall henceforth be treated as null and void ab initio and in that event the Parties undertake that they shall not seek to rely on any term or provision in it for any purpose as regards any other Party, for which purpose it is agreed that reference may be made to the terms of this Deed, as amended, to the fullest extent necessary to protect the positions of the Parties.

By signing this instrument, each of the undersigned represents and warrants that he has full authority and power to enter into the terms of this deed of agreement on behalf of, and to bind, each of the Parties he represents.

<p>Signed as a Deed this <u>1</u> day of February 2012 by Graham Huntley for and on behalf of the AP Family Parties:</p> <p> Name: Graham Huntley, Hogan Lovells International LLP</p>	<p>In the presence of:</p> <p>Name: <u>Cammie Ellis</u></p> <p>Address: <u>Atlantic House</u> <u>Holborn Viaduct</u> <u>London EC1A 2FG</u></p> <p>Occupation: <u>PA</u></p>
<p>Signed as a Deed this ____ day of February 2012 by Charles Nairac for and on behalf of the Georgian Parties:</p> <p>_____ Name: Charles Nairac, White &amp; Case LLP</p>	<p>In the presence of:</p> <p>Name: .....</p> <p>Address: .....</p> <p>Occupation: .....</p>

