

Number:

Broj : 0210-2341/2

Budva, 29.May 2017

Budva, 29.Maj 2017. godine

Pursuant to Article 39 paragraph 3 of Law on State Property (“Official Gazette of Montenegro” number 21/09) nad 40/11) and Decision of Parliament of Montenegro for long-term lease of the location of Lastavica Island with Fortress “Mamula“ - Herceg Novi dated on 29.12.2015,

Na osnovu člana 39 stav 3 Zakona o državnoj imovini (“Službeni list CG“, br 21/09 i 40/11) i Odluke Skupštine Crne Gore o davanju u dugoročni zakup lokaliteta Ostrvo Lastavica sa tvrđavom “Mamula“, Opština Herceg Novi, od 29.12.2015.godine

1. THE PUBLIC ENTERPRISE FOR COASTAL ZONE MANAGEMENT OF MONTENEGRO with a registered office in Budva, represented by the Director Predrag Jelusic, a graduate economist (hereinafter: **PUBLIC ENTERPRISE**)

1. JAVNO PREDUZEĆE ZA UPRAVLJANJE MORSKIM DOBROM CRNE GORE sa sjedištem u Budvi, koga zastupa i predstavlja direktor Predrag Jelušić, dipl. ekonomista (u daljem tekstu: **JAVNO PREDUZEĆE**)

and

i

2. ORASCOM DEVELOPMENT HOLDING AG, a Swiss joint stock company with the registered seat in Altdorf, Switzerland Gotthardstrasse 12, CH-6460, registered under the registration number CHE-380.181.683, represented by Darren Gibson (hereinafter: **LESSEE / ORASCOM DEVELOPMENT HOLDING AG and collectively with the PUBLIC ENTERPRISE as “Parties”**).

2. ORASCOM DEVELOPMENT HOLDING AG, akcionarsko društvo iz Švajcarske kotirano na švajcarskoj berzi SWX, sa sjedištem u Altdorf, Švajcarska, na adresi Gotthardstrasse 12, CH-6460, registrovano pod registarskim brojem CHE-380.181.683, koje zastupa Darren Gibson (u daljem tekstu: **ZAKUPAC / ORASCOM DEVELOPMENT HOLDING AG, a zajedno sa JAVNIM PREDUZEĆEM: “Strane”**)

enter on 29.May 2017 into

zaključuju dana 29.Maj 2017 godine sljedeći

AGREEMENT ON
LEASE / USAGE OF COASTAL ZONE
(hereinafter: “Agreement”)

U G O V O R O
ZAKUPU/KORIŠĆENJU MORSKOG DOBRA
(u daljem tekstu:“Ugovor“)

WHEREAS:

- The Government of Montenegro, as lessor and Orascom Development Holding AG Switzerland, as a lessee signed on 23.02.2015 Long – Term Lease Agreement relating to Lastavica Island with Fortress “Mamula“, Herceg Novi also granting the right to use coastal area and regulating the rights and obligations regarding the use of off-site part of the Resort, which represents is the coastal zone and aquatorium;
- The Parliament of Montenegro, pursuant to the Article 82 paragraph 1 item 3 of the Constitution of Montenegro and Article 39 paragraph 3 of Law on State Property (“Official Gazette of Montenegro” number 21/09) nad 40/11), on 29.12.2015 has adopted a decision on the long-term lease of the location of Lastavica Island with Fortress Mamula - Herceg Novi asking the LESSEE to execute a separate agreement on the lease/usage of coastal area with the PUBLIC ENTERPRISE, to regulate the rights and obligations regarding the use of off-site part of the Resort, which represents is the coastal zone and aquatorium.
- The intention of the Parties is to clarify that all rights under the Long Term Lease Agreement in relation to the coastal zone and the aquatorium are granted by the PUBLIC ENTERPRISE.

CONSEQUENTLY IT IS HEREBY AGREED as follows:

BUDUĆI DA JE:

- Vlada Crne Gore, kao Zakupodavac i Orascom Development Holding AD Švajcarska, kao zakupac, potpisali dana 23.02.2015. godine, Ugovor o dugoročnom zakupu u vezi sa Ostrvom Lastavica sa tvrđavom “Mamula“ Herceg Novi uz davanje prava korišćenja zone morskog dobra i regulisanje prava i obaveze u vezi sa korišćenjem zone izvan Resorta, koji predstavlja priobalni pojas i akvatorijum;
- Skupština Crne Gore, na osnovu člana 82 stav 1 tačka 3 Ustava Crne Gore i člana 39 stav 3 Zakona o državnoj imovini (“Službeni list CG“, br 21/09 i 40/11) donijela dana 29.12.2015. godine Odluku o davanju u dugoročni zakup lokaliteta Ostrvo Lastavica sa tvrđavom Mamula, Opština Herceg Novi, zahtijevajući od ZAKUPCA da sa JAVNIM PREDUZEĆEM zaključi poseban ugovor o zakupu /korišćenju morskog dobra, kojim se regulišu prava i obaveze u vezi korišćenja dijela Resorta izvan Lokacije, koji predstavlja morsko dobro i akvatorijum.
- Namjera Strana je da se potvrdi da su sva prava iz Ugovora o dugoročnom zakupu u odnosu na zonu priobalnog pojasa i akvatorijuma odobrena od strane JAVNOG PREDUZEĆA.

PREMA TOME, STRANE SU SE USAGLASILE kako slijedi:

1. INTERPRETATION

- (a) This Agreement is concluded pursuant to the Decision on long-term lease of the location of Lastavica Island with Fortress Mamula - Herceg Novi adopted by the Parliament of Montenegro towards the adequate implementation of the Long-Term Lease Agreement and accordingly all provisions of this Agreement will be interpreted in the spirit of the Long-Term Lease Agreement.
- (b) Except for terms that are expressly defined herein, all terms defined in the Long – Term Lease Agreement shall have the meaning assigned to them in the Long-Term Lease Agreement.
- (c) In this Agreement, unless the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting persons include corporations, partnerships and other legal persons and references to a person include its successors and permitted assigns.
- (d) In this Agreement, a reference to a specified Clause or Section shall be construed as a reference to that specified Clause or Section of this Agreement.
- (e) In this Agreement, a reference to an agreement shall be construed as a reference to such agreement as it may be amended, varied, supplemented, novated or assigned from time to time.

2. DEFINITIONS

1. TUMAČENJE

- (a) Ovaj Ugovor je zaključen je na osnovu Odluke usvojene od strane Skupštine Crne Gore o davanju u dugoročni zakup lokaliteta Ostrvo Lastavica sa tvrđavom Mamula, Opština Herceg Novi u pravcu adekvatne implementacije Ugovora o dugoročnom zakupu i u skladu sa tim, sve odredbe ovog Ugovora će se tumačiti u duhu Ugovora o dugoročnom zakupu.
- (b) Osim pojmova koji su izričito ovdje definisani, svi pojmovi definisani u Ugovor o dugoročnom zakupu imaju značenje koje im je pripisano Ugovor o dugoročnom zakupu.
- (c) U ovom Ugovoru, osim ako kontekst drugačije ne nalaže, riječi koje označavaju jedninu uključuju i množinu i obrnuto, riječi koje označavaju lica uključuju i korporacije, ortačka društva i druga pravna lica i upućivanje na neko lice uključuje i njegove pravne sljedbenike i dozvoljene nosioce prava.
- (d) U ovom Ugovoru, upućivanje na određeni član ili odjeljak tumači se kao upućivanje na ta konkretni član ili odjeljak ovog Ugovora.
- (e) U ovom Ugovoru, upućivanje na sporazum tumači se kao upućivanje na taj sporazum sa svim izmjenama, promjenama, dopunama, inoviranjem ili prenosom do koga može s vremena na vrijeme doći.

2. DEFINICIJE

Datum revizije: svaki 31. mart nakon Datuma

Audit Date: each March 31 after the Date of Commencement of Business Operations

Applicable Laws: (i) all local, national and/or international laws and conventions directly applicable in Montenegro, which are currently in force, as well as all amendments, extensions of application and/or adoption of new regulations replacing such regulations; (ii) rule, regulation, guideline, ordinance, or code administered or enforced by any State Authority that is binding on the LESSEE or in relation to the Location.

Building Permit: the building permits as defined in the Law on Spatial Planning and Construction to be issued by competent State Authority that are necessary to commence the Development.

Date of Commencement of Business Operations: the first day after opening the Resort to the public

Development: all Works, operations and activities that are in accordance with the Engineering Documents, the Building Permit and the Construction Program, in respect of design, engineering Works and construction of the Resort.

Lease Term: the period of forty nine (49) years as the duration of the lease of the Location, determined in accordance with Article 7.

Location: means Lastavica Island with Fortress Mamula - Herceg Novi, as more particularly described and marked in Appendix 1 to this Agreement;

Long – Term Lease Agreement: means the Long – Term Lease Agreement relating to Lastavica Island with Fortress “Mamula“, Herceg Novi signed on 23.02.2015 between the Government of Montenegro, as lessor and Orascom Development Holding AG Switzerland, as a lessee;

Maritime Domain: means a portion of the Location representing maritime domain in terms of Article 2 of the Law on Maritime Domain, marked as such in

početka poslovanja

Važeći zakoni: (i) svi lokalni, nacionalni i/ili međunarodni zakoni i konvencije koji se direktno odnose na Crnu Goru i trenutno su na snazi, kao i sve izmjene i dopune, produžena primjena i/ili usvajanje novih propisa kojima se zamjenjuju ti propisi; (ii) pravilnici, propisi, smjernice, uredbe ili zakonici koje sprovodi ili izvršava bilo koji Državni organ, a obavezujući su za ZAKUPCA ili u vezi sa Lokacijom.

Građevinska dozvola: građevinske dozvole kako su definisane Zakonom o uređenju prostora i izgradnji objekata, koje izdaje nadležni Državni organ, a potrebne su za početak Izgradnje.

Datum početka poslovanja: prvi dan po otvaranju Resorta za javnost.

Izgradnja: svi Radovi, poslovi i aktivnosti u skladu sa Projektantskim dokumentima, Građevinskom dozvolom i Programom izgradnje, u vezi sa projektovanjem, inženjerskim radovima i izgradnjom Resorta.

Trajanje zakupa: period od 49 (četrdeset devet) godina kao rok trajanja zakupa na Lokaciji, određen u skladu sa Članom 7.

Lokacija: označava Ostrvo Lastavica sa tvrđavom Mamula - Herceg Novi, kako je detaljnije opisan i označen u Dodatku 1 ovog Ugovora;

Ugovor o dugoročnom zakupu: označava Ugovor o dugoročnom zakupu u vezi sa Ostrvom Lastavica sa tvrđavom “Mamula“ Herceg Novi koji su Vlada Crne Gore, kao zakupodavac i Orascom Development Holding AG Švajcarska, kao zakupac, potpisali dana 23.02.2015. godine

Morsko dobro: je dio Resorta izvan Lokacije koji predstavlja morsko dobro i akvatorijum u smislu člana 2. Zakona o morskom dobru, označeno kao takvo u Studiji lokacije i detaljnije opisano i pojašnjeno u Dodatku 2 (“Morsko dobro”);

the Location Study and further described and delineated in Appendix 2 to this Agreement;

MONSTAT: Statistical Office of Montenegro.

Resort: means exclusive, luxurious, eco-sustainable and economically profitable tourist resort of minimum 5-star category, which standard is applicable to all hotel facilities constructed within the Location, as well as its management, which will offer extensive tourist opportunities and be able to contribute to strengthening the overall economy in Montenegro.

State Authority: means any national, local, municipal and/or any other administrative authority, board, committee, agency, legal or legislative body or their authorized representative lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax or other governmental or quasi-governmental authority.

3. GENERAL PROVISIONS

Under this Agreement the Parties wish to regulate certain rights and obligations regarding the use of maritime domain in accordance with the Long-Term Lease Agreement.

4. DESCRIPTION OF COASTAL ZONE

The subject matter of this Agreement is long-term lease of the part of the Resort outside the Location representing the maritime domain and the aquatorium in the meaning of Article 2 of the Law on Maritime Domain in the surface which is determined by Location Study and further described and delineated in SCHEDULE 2 of the Long-Term

MONSTAT: označava Zavod za statistiku Crne Gore.

Resort: označava ekskluzivni, luksuzni, eko-održivog i ekonomski profitabilni turistički resorta koji će se kategorisati najmanje kao objekat kategorije 4+ ili 5, i ta će se kategorizacija odnositi na sve hotelske objekte izgrađene na Lokaciji, kao i u svrhu upravljanja Lokacijom, koja će sadržati široku turističku ponudu i doprinijeti jačanju čitave privrede Crne Gore.

Državni organ: Označava bilo koji nacionalni, lokalni, opštinski i/ili drugi administrativni organ, odbor, komisija, agencija, pravno ili zakonodavno tijelo ili njihovi ovlašćeni zastupnici, koji zakonito vrše ili imaju pravo da vrše bilo kakvu administrativnu, izvršnu, sudsku, zakonodavnu, regulatornu ili poresku funkciju, ovlašćeni su da izdaju dozvole i odobrenja koncentracija, ili imaju neku drugu vrstu državnog ili kvazi-državnog ovlašćenja.

3. OPŠTE ODREDBE

Ugovorne Strane ovim Ugovorom žele da regulišu međusobna prava i obaveze u vezi sa korišćenjem morskog dobra u skladu sa Ugovorom o dugoročnom zakupu.

4. OPIS MORSKOG DOBRA

Predmet ovog Ugovora je dugoročan zakup dijela Resorta izvan Lokacije koji predstavlja morsko dobro i akvatorijum u smislu člana 2. Zakona o morskome dobru, u površini i zahvatu koji je određen Studijom lokacije i detaljnije opisan i pojašnjen u PRILOGU 2 Ugovora o dugoročnom zakupu i u PRILOGU 2 ovog Ugovora.

Lease Agreement, and SCHEDULE 2 of this Agreement

5. OBLIGATIONS OF THE LESSEE

Under the Long-Term Lease Agreement the LESSEE has the following obligations in relation to the use of the Maritime Domain:

- i. to use the Maritime Domain in accordance with its intended use determined in the planning documents and Long – Term Lease Agreement;
- ii. to conduct its activities in the existing and newly developed Maritime Domain in accordance with its registered activity and the approval of the competent authorities in compliance with the regulations in force, norms and standards, and in particular the regulations governing the planning, organisation, furnishing and operation of bathing areas;
- iii. to organize construction, planning and furnishing works in the Maritime Domain in a manner not damaging to access roads and surrounding area, or if such damage occurs, to remedy it at its own cost and without delay and return the area to an acceptable condition as defined in the Long – Term Lease Agreement.

In accordance with the Long-Term Lease Agreement the LESSEE agrees to occupy and use the Maritime Domain in accordance with the relevant spatial plans and planning documents, site studies and the regulations in force governing environmental protection and sea and coastal area conservation.

In accordance with the Long-Term Lease Agreement the activities conducted by the LESSEE in the Maritime Domain must not damage the environment, the coast or the sea.

In accordance with the Long-Term Lease Agreement the Maritime Domain shall retain its character of a public good in general use, i.e. all natural persons and legal entities shall have the right of unhindered

5. OBAVEZE ZAKUPCA

U skladu sa Ugovorom o dugoročnom zakupu, ZAKUPAC ima sljedeće obaveze u vezi sa korišćenjem Morskog dobra:

- i. da koristi Morsko dobro u skladu sa njegovom namjenom predviđenom planskom dokumentacijom i Ugovorom o dugoročnom zakupu;
- ii. da obavlja svoje djelatnosti na postojećem i novoizgrađenom Morskom dobru u skladu sa svojom registrovanom djelatnošću i odobrenjem nadležnih organa, kao i važećim propisima, normama i standardima, a naročito sa propisima kojima se uređuju planiranje, organizacija, oprema i rad kupališta;
- iii. da organizuje radove na izgradnji, planiranju i opremanju Morskog dobra na način kojim neće oštetiti pristupne puteve i okolinu, a ako do takve štete ipak dođe, da je otkloni o sopstvenom trošku i vrati to područje u prihvatljivo stanje kako je definisano Ugovorom o dugoročnom zakupu.

U skladu sa Ugovorom o dugoročnom zakupu, ZAKUPAC je saglasan da upotrebljava i koristi Morsko dobro u skladu sa odgovarajućim prostornim planovima i planskom dokumentacijom, studijama lokacije i važećim propisima kojima se uređuje zaštita životne sredine i očuvanje mora i priobalne zone.

U skladu sa Ugovorom o dugoročnom zakupu, ZAKUPAC tokom obavljanja svojih djelatnosti na Morskom dobru ne smije oštetiti životnu sredinu, obalu ili more.

U skladu sa Ugovorom o dugoročnom zakupu, Morsko dobro zadržava svoj karakter javnog dobra u opštoj upotrebi, odnosno sva fizička i pravna lica imaju pravo neometanog pristupa postojećem i novoizgrađenom Morskom dobru, osim onih njegovih djelova (i) u koje ne postoji slobodan

access to the existing and newly developed Maritime Domain, except for its parts (i) not eligible for free access under the immigration laws or laws regulating foreign trade, free zones, traffic or customs, and other mandatory regulations (ii) where access is prohibited to protect privately owned buildings or vessels, (iii) foreseen to become a part of a private project under the Long – Term Lease Agreement and the Location Study, access to which shall be regulated by the Government of Montenegro.

In accordance with the Long-Term Lease Agreement and as confirmed by this Agreement the LESSEE shall have the right to use and control the entire Maritime Domain, i.e. coastal area around the marina, including the right to build pontoons, docks, beaches, walkways and other similar structures over and upon such areas. The LESSEE may not acquire/transfer rights on such structures, which are not explicitly regulated by the Long-Term Lease Agreement or the Applicable Laws.

6. ANNUAL RENT

As defined by Long-Term Lease Agreement, starting from the date of issuance of the Building Permit, the LESSEE shall pay a fee for the use of the Maritime Domain amounting to € 0.9 per m², according to the planned surface area of location in the coastal zone area in accordance with Article 4 of this Agreement.

Payment of the annual fee for the lease / use of Maritime Domain shall be made to an account specified by the LESSOR under the Long-Term Lease Agreement and payment to such account shall be considered as being made.

The annual Fee for the use of the Maritime Domain shall be adjusted on each Audit Date for the following period, on the basis of the amount of harmonized index of growth of retail prices in Montenegro in the previous period, the rate of which is calculated and published by MONSTAT.

pristup u skladu sa zakonima o imigraciji ili zakonima kojima se uređuju spoljnotrgovinski promet, slobodne zone, saobraćaj ili carina, kao i drugim prinudnim propisima, (ii) u koje je pristup zabranjen radi zaštite privatnih objekata ili plovnih objekata, (iii) za koje je na osnovu Ugovorom o dugoročnom zakupu i Studije lokacije predviđeno da postanu dio privatnog projekta, a pristup kojima uređuje Vlada Crne Gore.

U skladu sa Ugovorom o dugoročnom zakupu, i kako je to potvrđeno ovim Ugovorom o dugoročnom zakupu ZAKUPAC ima pravo na korišćenje i nadzor čitavog Morskog dobra, odnosno priobalne zone oko marine, uključujući i pravo na izgradnju pontova, dokova, plaža, šetališta i drugih sličnih konstrukcija u toj oblasti i iznad nje. ZAKUPAC ne može steći/prenijeti prava na onim konstrukcijama koje nijesu izričito regulisane Ugovorom o dugoročnom zakupu ili Važećim zakonima.

6. GODIŠNJA ZAKUPNINA

Kako je to i Ugovorom o dugoročnom zakupu definisano, počev od dana izdavanja Građevinske dozvole ZAKUPAC plaća naknadu za korišćenje Morskog dobra u iznosu od 0,9 €/m² prema površini planiranog zahvata lokacije u zoni morskog dobra u skladu sa članom 4 ovog Ugovora.

Plaćanje godišnje naknade za zakup/korišćenje morskog dobra vršiće se na račun koji je određen od strane ZAKUPODAVCA iz Ugovora o dugoročnom zakupu, i uplata na takav račun smatraće se izvršenom.

Naknada za korišćenje Morskog dobra koriguje se svakog Datuma revizije u za naredni period, na osnovu iznosa usklađenog indeksa potrošačkih cijena u Crnoj Gori u prethodnom periodu, čiju stopu rasta obračunava i objavljuje MONSTAT.

7. PERIOD ZAKUPA

7. LEASE PERIOD

Subject to the terms and conditions of this Lease Agreement the PUBLIC ENTERPRISE and for its entire duration hereby confirms that the LESSEE shall have the exclusive use over the Maritime Domain to implement the Development and conduct the Business Operations for a period of 49 years from the Closing Date (as defined in the Long-Term Lease Agreement) plus any Lease Extensions (as defined in the Long-Term Lease Agreement).

U skladu sa uslovima i odredbama ovog Ugovora o zakupu i za cjelokupno vrijeme njegovog trajanja, JAVNO PREDUZEĆE potvrđuje da ZAKUPAC ima isključivo pravo korišćenja Morskog dobra u cilju realizacije Izgradnje i vođenja Poslovanja na period od 49 godina od Datuma zatvaranja (kako je to definisano Ugovorom o dugoročnom zakupu), kao i tokom eventualnog Produženog trajanja zakupa (kako je to definisano Ugovorom o dugoročnom zakupu).

8. MISCELLANEOUS

Clause 41 of the Long-Term Lease Agreement is hereby included by way of reference.

On other matters that is not governed by this Agreement the provisions of the Long-Term Lease Agreement shall apply.

This Agreement is made in 10 (ten) identical copies, in the bilingual form in English and Montenegrin language each representing the original text of the Agreement. In the event of any discrepancy between the English and the Montenegrin version, the English version of this Lease Agreement shall prevail, which shall also be used in interpreting this Agreement. LESSEE shall keep 2 (two) and PUBLIC ENTERPRISE eight (8) copies and 1 (one) copy shall be kept by the Notary in charge of legalization of the Agreement.

Contracting parties agree that one copy of the concluded agreement shall be submitted to the Protector of State Property, State Prosecutor, Public Audit Institution and Real Estate Administration each within 15 days following its legalization.

8. RAZNO

Član 41 Ugovora o dugoročnom zakupu je ovim uključen putem upućivanja.

Za sve što nije uređeno ovim Ugovorom primjenju se odredbe Ugovora o dugoročnom zakupu.

Ovaj Ugovor je sačinjen u 10 (deset) istovjetnih primjeraka, u dvojezičnoj formi na Engleskom i Crnogorskom jeziku, od kojih svaki predstavlja original teksta Ugovora. U slučaju nepodudarnosti između engleske i crnogorske verzije, mjerodavna je engleska verzija ovog Ugovora, koja se koristi i prilikom njegovog tumačenja ZAKUPAC zadržava 2 (dva) a JAVNO PREDUZEĆE 8 (osam) primjerka a 1 (jedan) primjerak Notar kod koga se vrši ovjera ugovora.

Ugovorne strane su se saglasile da se po jedan primjerak zaključenog ugovora u roku od 15 dana od dana ovjere dostavi dostavi Zaštitniku državne imovine, Državnom tužiocu, Državnoj revizorskoj instituciji i Upravi za nekretnine.

Jedan

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One copy of the Agreement will be submitted to the competent Harbormasters' Office for the purpose of keeping records on concluded agreements regarding coastal zone usage.

Jedan primjeraka Ugovora biće dostavljena nadležnoj lučkoj kapetaniji radi vođenja evidencije o zaključenim ugovorima o korišćenju morskog dobra

PUBLIC ENTERPRISE



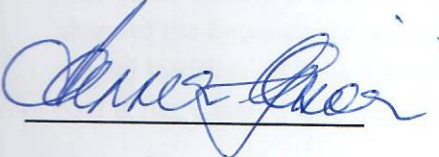

Predrag Jelusic, Director,

JAVNO PREDUZEĆE




Predrag Jelusić, Direktor

LESSEE



Darren Gibson

ZAKUPAC



Darren Gibson

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