

# LOAN AGREEMENT

**THIS DEED** is made the 19<sup>th</sup> day of December, 2005,

**BETWEEN: ROGER FAWZI EL AKOURY** whose address for the purposes of this Agreement is 3 Mircea Eliade Blvd., ap. no.2, Bucharest 1, Romania, ("the Lender")

**AND: WYNDING INVESTMENTS INC.** a Company incorporated under the laws of the British Virgin Islands and having its Registered Office at 333 Waterfront Drive, 2<sup>nd</sup> Floor Geneva Place, Road Town, Tortola, British Virgin Islands ("the Borrower")

## RECITALS:-

- (1) The Lender has agreed to grant a loan in the amount of EURO Seventy Million (70,000,000.00) to the Borrower to facilitate it fulfilling of its financial obligations.

**NOW THIS DEED WITNESSES** as follows:

## INTERPRETATION

1. In this Deed, unless inconsistent with the context, subject matter or circumstances:-

- (1) "the Borrower" includes persons deriving title under the Borrower.
- (2) "the Lender" includes his successors in title and assigns whether immediate or derivative.
- (3) "Lien" means, with respect to any property, any mortgage, lien, pledge, charge, lease, easement, servitude, right of others, security interest or encumbrance of any kind over or in respect of property. For the purposes of this definition, any person will be deemed to own subject to a Lien any property which it has acquired or holds subject to the interest of a seller or lessor under any conditional sale agreement, capital lease or other title retention agreement (other than an operating lease) relating to that property.
- (4) "the Principal Sum" means the sum of EURO Seventy Million (70,000,000.00).
- (5) An obligation imposed is to be performed, and a right, power or discretion conferred is exercisable, in each case, from time to time.

- (6) An obligation not to do something includes an obligation not to permit or suffer others to do it.
- (7) Notice, consent and approval must be in writing.
- (8) Words of one gender include any other gender and singular words include the plural and vice versa and words importing persons and all references to persons include corporations and firms.
- (9) Any reference in this Deed to any statute includes reference to any statutory modification or re-enactment of it for the time being in force.

### **PAYMENTS**

2. In consideration of the obligations, warranties, terms and conditions of this Deed:
  - (1) The Lender agrees to loan the Borrower EURO Seventy Million ( 70,000,000.00) with no interest accruing. The Lender will disburse the Principal Sum to the Borrower not later than June 30<sup>th</sup>, 2006; and
  - (2) The Borrower agrees to repay the Lender the Principal Sum by paying the Lender the Principal Sum within five (5) years as of the date of this Deed.

### **EVENTS OF DEFAULT**

3. Despite any other provisions of this Deed, the Principal Sum and all other money payable under it will become immediately payable on the happening of any of the following events:-
  - (1) if a judgment against the Borrower for any sum exceeding Ten Thousand Euros ( 10,000.00) or an order involving the payment by the Borrower of Ten Thousand Euros ( 10,000.00) or more without the necessity of judgement is obtained in any Court, remains unsatisfied for seven (7) days unless in the event of a judgment or order involving payment which exceeds Ten Thousand Euros ( 10,000.00) which the Borrower disputes by appeal promptly brought and diligently pursued it posts a bond satisfactory to the Lender for full satisfaction of it; or
  - (2) if a distress or execution is levied or enforced on or against any of its assets and is not satisfied within five (5) days of the levy or enforcement of the distress or execution; or
  - (3) if an order is made or an effective agreement is made or resolution is passed for winding up the Borrower except for the purpose of a reconstruction or amalgamation the terms of which have been previously approved by the Lender; or
  - (4) if an incumbrancer takes possession or a Receiver is appointed of any part of the Borrower's assets; or

- (5) if the Borrower ceases to carry on its business or substantially the whole of its business;  
or
- (6) if the Borrower is unable to pay its debts within the meaning of Section 116 of the Companies Act of the British Virgin Islands; or
- (7) if at any time the Lender in good faith determines that a material adverse change in the Borrower's financial condition has occurred or that the Borrower is unlikely to be able to meet any of its obligations under this Deed.

#### **FURTHER ASSURANCES**

4. The Borrower irrevocably appoints the Lender and every Attorney and every assign of the Lender to be the Borrower's attorney in the name and on behalf of the Borrower to execute and give any assurances and other things which the Borrower ought to execute and do under this Deed and generally to use the Borrower's name in the exercise of all or any of the powers conferred on the Lender.

#### **BORROWER'S GOOD STANDING**

5. The Borrower represents and warrants to the Lender that:
  - (1) it is a duly organised corporation existing in good standing under the Laws of the British Virgin Islands;
  - (2) it is duly qualified to do business wherever necessary to carry on its present operations and will continue so while this Deed subsists;
  - (3) the execution, delivery and performance by the Borrower of this Deed have been duly authorised by all necessary corporate action on the Borrower's part;
  - (4) this Deed when executed will be properly executed and delivered by the Borrower and will constitute the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by:
    - (a) applicable bankruptcy, insolvency, reorganisation, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and
    - (b) the application of general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity);
  - (5) the execution, delivery and performance by the Borrower of this Deed and the consummation of the transactions contemplated by it do not and will not:
    - (a) require any consent or approval of any person that has not been obtained, and each such consent and approval that has been obtained is in full force and effect,

- (b) violate any provision of any Law, Regulation or Governmental approval, applicable to the Borrower,
  - (c) conflict with, result in a breach of or constitute a default under the Borrower's Memorandum of Association or Articles of Association or any material indenture or loan or credit agreement or any other agreement, lease or instrument to which the Borrower is a party or by which it is bound, or
  - (d) result in, or create any Lien on or with respect to any of the properties now owned or subsequently acquired by the Borrower.
- (6) there is no action, suit or proceeding, at law or in equity or by or before any court, arbitration tribunal or other body now pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower or any of its property, which could reasonably be expected to materially adversely affect the Borrower or its financial condition and operations;
- (7) neither the Borrower nor any of its assets has any immunity from jurisdiction of any court or from any legal process (whether through service, notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of the British Virgin Islands.

#### GENERAL

6. The Borrower may prepay the whole or any part of the Principal Sum on any due date for payment.
7. (1) No neglect, omission or forbearance on the Lender's part to take advantage of or enforce any right or remedy arising out of any breach or non-observance of any covenant or condition in this Deed contained or implied will be deemed to be or operate as a general waiver of that covenant or condition or the right to enforce or take advantage of it in respect of any breach or non-observance of it either original or recurring.
- (2) Any of the Lender's rights or powers may be exercised in its unfettered discretion and the Lender will not be obliged to give any reasons for doing so.
8. A certificate from the Lender indicating the amount of the Principal Sum outstanding to the Lender on it and detailing the calculation of those amounts will be conclusive and binding for all purposes, absent manifest error.
9. Any demand or notice may be properly and effectively made given and served to and on the other party at any time by a letter sent to it either by delivery or by registered post addressed to it at its address mentioned above and may be signed by any officer, director, secretary, attorney, agent or lawyer on the delivering party's behalf and every demand or notice if delivered will be deemed to be served on the date of delivery.

## **PROPER LAW AND JURISDICTION**

10. (1) This Deed will be governed by and must be construed solely according to the Laws of the British Virgin Islands.
- (2) The Borrower submits for all purposes of or in connection with this Deed to the jurisdiction of the Courts of the British Virgin Islands.

## **ENTIRE AGREEMENT AND MODIFICATIONS**

11. (1) This Deed supersedes all prior agreements between the parties with respect to its subject matter and constitutes (along with the documents referred to in this Deed) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter.
- (2) This Deed may not be amended except by a written agreement executed by the parties to this Deed.

## **ASSIGNMENT**

12. (1) No party may assign any of its rights under this Agreement without the prior consent of the other parties. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of the parties.

## **COUNTERPARTS**

13. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

## **SEVERANCE**

14. If at any time any provision of this Deed is or becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Deed will not be impaired.

## **HEADINGS**

15. The descriptive headings of the clauses and sub-clauses of this Deed have no bearing whatever on the interpretation of any provision of this Deed.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals upon this Deed the day and year first above written

EXECUTED as a Deed and )  
Delivered for and on behalf of )  
**ROGER FAWZI EL AKOURY** )  
in the presence of: )  
)  
)  
)  
)

  
\_\_\_\_\_  
**ROGER FAWZI EL AKOURY**

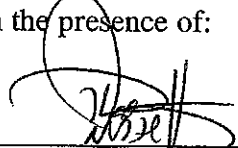
\_\_\_\_\_  
Witness

EXECUTED as a Deed and )  
Delivered for and on behalf of )  
**WYNDING INVESTMENTS INC.** )  
in the presence of: )  
)  
)  
)  
)

**WYNDING INVESTMENTS INC.**

Per:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Witness