

SCHEDULE 4

TERMS AND CONDITIONS

The following are the terms and conditions of the Bonds referred to in the definitive registered Bonds issued and in the Registered Global Certificates.

The issue on 1 April 2019 of €1,131,024,112.00 of 2.5 per cent. (PIK) Convertible Bonds due 2029 (the "**Bonds**", which such term shall include any Further Bonds issued pursuant to Condition 20 (*Further Bonds and Additional Bonds*)) is made by Fortenova Group TopCo B.V. (the "**Issuer**") pursuant to the Settlement Plan (as defined below).

The Bonds are convertible in the manner described below into fully paid Depositary Receipts (defined below) to be issued by Fortenova Group STAK Stichting (the "**STAK**").

The Bonds are constituted by a trust deed (as amended or supplemented from time to time, the "**Trust Deed**") dated 1 April 2019 and made between the Issuer and Lucid Trustee Services Limited (as the "**Trustee**") for the holders (as defined below) of the Bonds. The term "**Trustee**" shall, where the context so permits, include all other persons for the time being acting as Trustee under the Trust Deed.

The Issuer has entered into a paying, transfer and conversion agency agreement (as amended or supplemented from time to time, the "**Paying, Transfer and Conversion Agency Agreement**") dated on or around 29 March 2019 with Lucid Agency Services Limited, as principal paying, transfer and conversion agent (the "**Principal Paying, Transfer and Conversion Agent**"), Lucid Issuer Services Limited, acting through its branch in France, as registrar in respect of the Bonds (the "**CB Registrar**") and in respect of the Depositary Receipts (as defined herein) (the "**DR Registrar**", together with the CB Registrar, the "**Registrar**") and Lucid Issuer Services Limited as custodian in respect of the Bonds (the "**CB Custodian**") and in respect of the Depositary Receipts (the "**DR Custodian**", together with the CB Custodian, the "**Custodians**"), the STAK and the other paying, transfer and conversion agents appointed from time to time thereunder (each, including the Principal Paying, Transfer and Conversion Agent, a "**Paying, Transfer and Conversion Agent**") relating to the Bonds and the Depositary Receipts. References to the "**Principal Paying, Transfer and Conversion Agent**", "**Registrar**" and "**Agents**" below are references to the principal paying, transfer and conversion agent, registrar, transfer agent, agents and the Custodians, for the time being for the Bonds. The statements in these terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Paying, Transfer and Conversion Agency Agreement, the Articles of Association, the Administrative Conditions and the Transfer Regulations (each as defined below). Unless otherwise defined, capitalised terms used in these Conditions have the meaning specified in the Trust Deed.

The Bondholders are entitled to the benefit of the Trust Deed and are bound by and are deemed to have notice of, all the provisions of the Trust Deed and the provisions of the Paying, Transfer and Conversion Agency Agreement applicable to them. Transfers of the Bonds are subject to the Stapling Requirement (as defined herein), the Articles of Association (as defined herein) and the Administrative Conditions (as defined herein). The provisions of Condition 6 (*Conversion*) relating to the conversion of the Bonds into Depositary Receipts issued by the STAK referencing the Shares of the Issuer are also subject to the articles of association of the STAK and the Administrative Conditions.

Copies of the Trust Deed and the Paying, Transfer and Conversion Agency Agreement, the Transfer Regulations, the Articles of Association, the articles of association of the STAK and of the Administrative Conditions will be posted to the Investors' Website.

1. FORM, DENOMINATION, TITLE AND STATUS

1.1 Form and Denomination

The Bonds will be initially represented by one or more global certificates in registered form without interest coupons attached. The Bonds are issued in registered form in minimum denominations of €1.00 (the "**Specified Denomination**") and in integral multiples of €1.00 in excess thereof.

Bonds or Bond Interests (as defined below) which are initially delivered to (i) persons in the United States who are either (1) "qualified institutional buyers" commonly referred to as "QIBs", as defined in Rule 144A under the Securities Act ("**Rule 144A**") in compliance with Rule 144A, acting for their own account or for the account or benefit of other qualified institutional buyers or (2) an institutional "accredited investor" (as such term is defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) in reliance upon an exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof and the safe harbours provided from registration by Regulation D thereunder and applicable state securities laws, shall be represented by a Registered Global Certificate referred to as the "**Rule 144A Global Certificate**"; and (ii) persons who are not within the United States and are "non-U.S. persons" (as defined in Rule 902 under the Securities Act) in accordance with the safe harbours provided from registration by Regulation S under the Securities Act shall be represented by a Registered Global Certificate referred to as the "**Regulation S Global Certificate**". Owners of beneficial interests in a Registered Global Certificate will be entitled, under certain limited circumstances, to receive physical delivery of certificated Bonds (a "**Regulation S Definitive Certificate**" in the case of the Regulation S Global Certificate and a "**Rule 144A Definitive Certificate**" in the case of the Rule 144A Global Certificate, and together, the "**Definitive Certificates**") in fully registered, definitive form. Definitive Certificates shall be serially numbered.

The Registered Global Certificates will be in, or substantially in, the forms set out in Schedule 1 (*Form of Rule 144A Global Certificate*) and Schedule 2 (*Form of Regulation S Global Certificate*) to the Trust Deed. The Definitive Certificates will be in or substantially in the forms set out in, Schedule 3A (*Form of 144A Definitive Certificate*) and Schedule 3B (*Form of Regulation S Definitive Certificate*) to the Trust Deed.

Each Registered Global Certificate shall be delivered to and registered in the name of, or in the name of a nominee of, the CB Custodian, and the holder of each Bond Interest shall be recorded as such in the CB Register. Each Registered Global Certificate so delivered and registered shall be exchangeable, in accordance with its terms for Definitive Certificates.

1.2 Title

Title to the Bonds will pass by transfer and registration in the CB Register, as described in Condition 3 (*Registration and Transfer of the Bonds*).

For so long as any of the Bonds are represented by one or more Registered Global Certificates and any such Registered Global Certificate is held by and registered in the name of, or in the name of a nominee of, the CB Custodian, the holder of each Bond Interest who is recorded as such in the CB Register (as defined herein) of Bond Interests established and maintained as part of the CB Register shall be treated by the Trustee, the Issuer and its Agents and the CB Custodian as if such person was the holder of Bonds in the aggregate principal amount of Bond Interests recorded in its name in the Register for all purposes other than with respect to the payments of principal and Cash-Pay Interest (if any) on such Bonds, for which purpose the CB Custodian shall be treated by the Trustee, the Issuer and its Agents as the holder of

such principal amount of such Bonds in accordance with and subject to the terms of the Registered Global Certificate(s). The CB Registrar shall, if requested in writing by a holder of Bond Interests who is recorded as such in the CB Register, provide such holder with a statement of such registration and the amount of Bond Interests so registered, provided always that the entries in the CB Register shall be the sole conclusive determinants of title to the Bond Interests.

In these Conditions, reference to the "**holder(s)**" of the Bonds or the "**Bondholders**" shall be construed in accordance with the paragraph above.

1.3 **Status**

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank, and will rank at all times, *pari passu* and rateably, without any preference among themselves, and at least equally with all other existing, future unsecured and unsubordinated obligations of the Issuer, save for such obligations that may be preferred by provisions of law that are mandatory and of general application. The Bonds will not be guaranteed by the STAK or by any Affiliate of the Issuer. Notwithstanding the foregoing and in accordance with Condition 9.2 (*Restrictions on Redemption while the Supplier Loan Note and the Sberbank Loan Note remain outstanding*), no payment may be made on the Bonds for so long as any amount is owing by the Issuer under the Supplier Loan Note and/or the Sberbank Loan Note (each as defined below).

2. **INTERPRETATION**

2.1 In these Conditions, unless otherwise expressly stated or the context otherwise requires:

"**Additional Bonds**" has the meaning assigned to it in Condition 20.3 (*Further Bonds and Additional Bonds*).

"**Additional Bond Interests**" has the meaning assigned to it in Condition 20.3 (*Further Bonds and Additional Bonds*).

"**Administrative Conditions**" means the administrative conditions of the STAK dated 28 February 2019 and established by the board of the STAK, as the same may subsequently be amended in accordance with their terms and applicable law.

"**Affiliate**" means:

- (a) with respect to a person who is not an individual, a person that (i) directly or indirectly Controls such person, (ii) is Controlled by such person, or (iii) is under common Control with such person; and
- (b) with respect to a person who is an individual:
 - (i) such person's spouse or civil partner;
 - (ii) any lineal ancestor or lineal descendant of such person, if they are living in the same household as such person, are under the age of majority at the relevant time in the relevant jurisdiction, or are acting in concert with such person; or
 - (iii) any trustee of a trust whereby such person or any individuals described in paragraphs (i) and (ii) above are beneficiaries or whereby any benefit may be

conferred on any such individual(s) to the extent they are acting in concert with such person, or any other person Controlled by the person;

"**Agent(s)**" means the Principal Paying, Transfer and Conversion Agent, the Registrars, and any other agent appointed pursuant to these Conditions or under the Paying, Transfer and Conversion Agent Agreement, and "**Agent**" means any of them.

"**Agrokor**" means Agrokor d.d., a joint stock company incorporated in the Republic of Croatia registered at the Zagreb Commercial Court under court registration number (MBS) 080020970, and companies registration number (MB) 3449602.

"**Articles of Association**" means the articles of association of the Issuer dated 28 February 2019 as amended from time to time in accordance with their terms and applicable law.

"**Bond Enforcement Notice**" has the meaning assigned to it in Condition 11 (*Events of Default*).

"**Bond Entitlement**" has the meaning assigned to it in Condition 7.4(a).

"**Bond Interest**" means, with respect to any Bond represented by a Registered Global Certificate, a beneficial interest in that Bond, as evidenced by the entries in respect of that Bond and its Bond Interests made in the CB Register.

"**Bond Principal Payment**" means, in respect of any Bond or Bond Interest, each amount paid by the Issuer in full or partial redemption thereof.

"**Bondholder**" means a person in whose name a Bond is registered in the CB Register (or, in the case of joint holders, the first named thereof), save that if and for so long as any of the Bonds is represented by one or more Registered Global Certificates and interests in such Registered Global Certificate(s) are determined by entries of Bond Interests in the CB Register, "**Bondholder**" means each person for the time being registered as a holder of a Bond Interest in the CB Register, and that person shall be recognised as the beneficiary of the trusts established by these Conditions as if such person was the holder of Bonds in the aggregate Principal Amount Outstanding of Bond Interests recorded in its name in the CB Register.

"**Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settle payments in London, Amsterdam and Zagreb and, in respect of any day on which a payment is to be made under or in respect of the Bonds, any TARGET2 Day.

"**Capitalisation Date**" means the last day of each Interest Period.

"**Cash-Pay Interest**" means any interest on the Bonds or Bond Interests that has not been capitalised in accordance with Condition 8.3 (*Capitalisation*).

"**CB Custodian**" means the custodian appointed by the Issuer to hold one or more Registered Global Certificates on behalf of the Bondholders.

"**CB Data Error**" has the meaning assigned to it in Condition 3.8 (*Regulations*).

"**CB Register**" has the meaning assigned to it in Condition 3.1 (*Register*).

"**CB Register A**" means the register within the CB Register maintained by the CB Registrar of Bond Interests which relate to Determined Claims.

"**CB Register B**" means the register within the CB Register maintained by the CB Registrar of Bond Interests which relate to unresolved Challenged Claims.

"**CB Registrar**" means Lucid Issuer Services Limited, acting through its branch in France, or any other person replacing that person for the purpose of maintaining the CB Register, provided that the Bondholders have been notified of such change in accordance with Condition 16 (*Notices*).

"**Challenged Claim**" means, at any relevant time, an EA Challenged Claim and/or a Creditor Challenged Claim, as applicable.

"**Challenging Creditor**" means, at any relevant time and in respect of a Challenged Claim, the holder of that Challenged Claim.

"**Claim**" means a claim submitted against Agrokor and/or any other member of the EA Group (as defined in the Settlement Plan) in the Extraordinary Administration, in accordance with the requirements of the EA Act.

"**Contingent Claim**" has the meaning assigned to it in the Settlement Plan.

"**Contingent Claim Settlement**" has the meaning assigned to it in Condition 20.1(b) (*Further Bonds and Additional Bonds*).

"**Contested Bond**" has the meaning assigned to it in Condition 7.4(b).

"**Control**" of a specified person who is not an individual means the direct or indirect power to direct, or cause the direction of, the management or policies of the specified person, through the ownership of shares, by contract or otherwise excluding control by any governmental authority or institution, or the Central Bank of Russia (CBR), or any other Russian public authority or institution. A person will be deemed to Control such specified person if *inter alia*:

- (a) that person has the direct or indirect power:
 - (i) to exercise or cause the exercise of more than fifty per cent. (50%) of the voting rights in respect of the specified person; or
 - (ii) (to appoint or cause the appointment of more than half of the board of directors or similar governing body of the specified person; or
- (b) the specified person is a trust or similar structure or is Controlled by a trust or similar structure and the person is a beneficiary of the trust or similar structure; or
- (c) the specified person is a limited partnership and the person is the general partner of that limited partnership,

and the term "**Controlled by**" shall be construed accordingly.

"**Conversion Date**" means the date on which a conversion of Bonds or Bond Interests into Depositary Receipts will occur in accordance with the relevant provisions of Condition 6 (*Conversion*).

"**Conversion Notice**" means a Mandatory Redemption Notice, an IPO Conversion Notice or an Exit Conversion Notice, as applicable.

"**Conversion Period**" means the period beginning on, and including, the Issue Date and ending on the Final Maturity Date.

"**Conversion Rate**" has the meaning assigned to it in Condition 6.4(b) (*Conversion Notices and Conversion Rate*).

"**Conversion Rights**" means the rights of the Issuer to convert the Bonds into Depositary Receipts in the circumstances and upon the terms specified in these Conditions, the Articles of Association and the Administrative Conditions, and includes any automatic conversion of the Bonds effected or required pursuant to Condition 6 (*Conversion*).

"**Creditor**" means a Challenging Creditor and/or a Determined Creditor, as the case may be.

"**Creditor Challenged Claim**" means, at any relevant time, a Claim the validity, acceptance or treatment of which in the Extraordinary Administration has been challenged by any other creditor whose Claim has been submitted in the Extraordinary Administration, and which challenge has not, at that time, been finally resolved either by the courts having jurisdiction in respect of that Claim or by a final settlement agreement between the disputing parties.

"**Croatian HoldCo**" means Fortenova Grupa d.d., a joint stock company, whose seat is in Zagreb, Croatia, registered with the court register of the Commercial Court in Zagreb under number (MBS) 081179147, PIN (OIB) 88035992407.

"**Custody Deed**" means the custody deed entered into between the Issuer, the STAK, the CB Custodian, the DR Custodian, the CB Registrar, the DR Registrar, the Trustee and the Principal Paying, Transfer and Conversion Agent in respect of the Registered Global Certificates and the Depositary Receipts, dated on or about the Issue Date.

"**Definitive Certificate**" has the meaning assigned to it in Condition 1.1 (*Form and Denomination*).

"**Depositary Receipts**" means the depositary receipts from time to time issued by the STAK in respect of the Shares of the Issuer in accordance with the articles of association of the STAK and the Administrative Conditions.

"**Determination**" has the meaning assigned to it in Condition 3.3(g) (*Restrictions on Transfer*).

"**Determined Claim**" means a Claim which has been irrevocably confirmed by the Extraordinary Administrator to be a valid claim.

"**Determined Creditor**" means a person whose Claim against Agrokor and/or any other member of the EA Group (as defined in the Settlement Plan) made in the Extraordinary Administration has been accepted as a Determined Claim for all purposes of the Extraordinary Administration.

"**DR Custodian**" means a custodian appointed by the STAK to hold one or more Depositary Receipts on behalf of the beneficial holders of Depositary Receipts.

"**DR Register**" has the meaning allocated to it in the Paying, Transfer and Conversion Agency Agreement.

"**DR Registrar**" means Lucid Issuer Services Limited, acting through its branch in France, or any other person replacing that person for the purpose of maintaining the DR Register,

provided that the holders of the Depository Receipts have been notified of such change in accordance with the Paying, Transfer and Conversion Agency Agreement.

"**DR Resolution**" has the meaning assigned to it in Condition 15 (*Meetings of Bondholders*).

"**EA Act**" means the Law on Extraordinary Administration Proceedings in Companies of Systemic Importance for the Republic of Croatia, enacted on 7 April 2017 (Official Gazette of the Republic of Croatia, no 32/2017).

"**EA Challenged Claim**" means, at any relevant time, a Claim the validity, acceptance or treatment of which in the Extraordinary Administration has been challenged by the Extraordinary Administrator, and which challenge has not, at that time, been finally resolved either by the courts having jurisdiction in respect of that Claim or by a final settlement agreement between the disputing parties.

"**Early Conversion Date**" has the meaning assigned to it in Condition 8.5 (*Early Conversion*).

"**Early Conversion Date Capitalisation**" has the meaning assigned to it in Condition 8.5(b) (*Early Conversion*).

"**Early Conversion Date Interest Amount**" has the meaning assigned to it in Condition 8.5(a) (*Early Conversion*).

"**Enforcement Amount**" has the meaning assigned to it in Condition 7.1(b) (*Cancellation by CB Registrar*).

"**Enforcement Amount Bond Interests**" has the meaning assigned to it in Condition 7.1(b) (*Cancellation by CB Registrar*).

"**Enforcement Reduction Amount**" has the meaning assigned to it in Condition 7.1(b) (*Cancellation by CB Registrar*).

"**EPC**" means the entity priority concept established for the purposes of determining the recovery rights of each Determined Creditor and Challenging Creditor under the Settlement Plan, in accordance with the Extraordinary Administration and the EA Act, as such model may be amended, modified or restated from time to time in accordance with the EA Act.

"**EPC Re-Run**" has the meaning ascribed to it in the Settlement Plan.

"**euro**", "**EUR**" and "**€**" denote the single currency of the Participating Member States.

"**Event of Default**" has the meaning assigned to it in Condition 11 (*Events of Default*).

"**Exchange Event**" has the meaning assigned to it in Condition 3.4 (*Definitive Certificates*).

"**Exit**" means a disposal by any means of 50 per cent. or more of the issued share capital of any member of the New Group (other than by way of an IPO).

"**Exit Conversion**" has the meaning assigned to it in Condition 6.3(a) (*Issuer Conversion - Exit*).

"**Exit Conversion Notice**" has the meaning assigned to it in Condition 6.3(b) (*Issuer Conversion - Exit*).

"Extraordinary Administration" means the extraordinary administration proceedings commenced on 7 April, 2017 in respect of Agrokor pursuant to the EA Act.

"Extraordinary Administrator" means, at any relevant time, the person then holding the office of extraordinary administrator of Agrokor pursuant to the Extraordinary Administration and the EA Act.

"Extraordinary Resolution" has the meaning assigned to it in Schedule 5 (*Provisions for Meetings of Bondholders*) to the Trust Deed.

"FATCA" means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulation, instruction or other official guidance, as amended from time to time;
- (b) any treaty, law, regulation, instruction or other official guidance enacted or amended in any other jurisdiction or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above of this definition;
- (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above of this definition with the United States Internal Revenue Service, the United States Government or any governmental or taxation authority in any other jurisdiction; or
- (d) any treaty, law, regulation, instruction or other official guidance analogous to paragraphs (a) or (b) of this definition enacted or amended in any other jurisdiction from time to time, and any agreement pursuant to the implementation of any such treaty, law, regulation, instruction or other official guidance with any governmental or taxation authority in any jurisdiction.

"Final Maturity Date" means 1 April 2029, unless such date is not a Business Day, whereupon it shall be the next following Business Day.

"First Interest Period" has the meaning assigned to it in Condition 8.1 (*Interest Period*).

"Fixed Rate" means 2.5 per cent. per annum.

"Further Bonds" has the meaning assigned to it in Condition 20.1 (*Further Bonds and Additional Bonds*).

"Further Bond Interest" has the meaning assigned to it in Condition 20.1 (*Further Bonds and Additional Bonds*).

"Implementation Commencement Date" means the date on which the Settlement Plan takes effect in accordance with the Extraordinary Administration and the EA Act.

"Initial Principal Amount" has the meaning assigned to it in Condition 9.7 (*Original capital repaid first*).

"Interest Period" has the meaning assigned to it in Condition 8.1 (*Interest Period*).

"Investors' Website" means the website established pursuant to Condition 4.3 (*Operation of Investors' Website*) by the Issuer or Croatian HoldCo for communications with and the provision of information to the Bondholders, and any additional or replacement website from

time to time notified by the Issuer to the Bondholders and the Trustee in accordance with Condition 16 (*Notices*).

"**IPO**" means an equity offering of shares of the Issuer or Croatian HoldCo or any successor of the Issuer or Croatian HoldCo (the "**IPO Entity**"), in each case, by or in respect of the IPO Entity, following which the shares of the IPO Entity in such offering are listed by the IPO Entity on an internationally recognised exchange or traded on an internationally recognised market.

"**IPO Conversion**" has the meaning assigned to it in Condition 6.2(a) (*Mandatory Conversion – IPO*).

"**IPO Conversion Notice**" has the meaning assigned to it in Condition 6.2(b) (*Mandatory Conversion – IPO*).

"**Issue Date**" means the date on which the Bonds and the Depositary Receipts are to be issued in accordance with the terms of the Settlement Plan (being the same date as the Implementation Commencement Date).

"**KYC Asset**" has the meaning assigned to it in the Securities Escrow Deed.

"**Management Board**" means the management board (*bestuur*) of the Issuer from time to time.

"**Mandatory Issuer Conversion**" has the meaning assigned to it in Condition 6.1(a) (*Mandatory Issuer Conversion in full*).

"**Mandatory Redemption Notice**" has the meaning assigned to it in Condition 6.1(b) (*Mandatory Issuer Conversion in full*).

"**MC Conditions**" means any condition or requirement under the laws or regulations of any relevant jurisdiction requiring a person to obtain merger clearance or any other like competition clearance or ruling before that person may acquire a holding in or a beneficial interest in the equity of another person.

"**New Group**" means, with effect from the Issue Date, the Issuer and its subsidiaries from time to time.

"**New Instruments**" has the meaning assigned to it in the Settlement Plan.

"**Non-Viable EA Croatian Subsidiary**" has the meaning assigned to it in the Settlement Plan.

"**Ordinary Resolution**" has the meaning assigned to it in Schedule 5 (*Provisions for Meetings of Bondholders*) to the Trust Deed.

"**outstanding**" means, in relation to the Bonds, all the Bonds issued other than:

- (a) those which have been redeemed in accordance with the Conditions, to the extent of such redemption;
- (b) those in respect of which each date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption monies have either been
 - (i) duly paid to the Trustee or the Principal Paying, Transfer and Conversion Agent in

the manner provided for in the Paying, Transfer and Conversion Agency Agreement and remain available for payment in accordance with the Conditions or (ii) duly paid to the applicable Bondholder or Bondholders, set aside or satisfied by the Issuer pursuant to and in accordance with the provisions of Condition 9, to the extent of such redemption monies;

- (c) those which constitute Reallocated Bonds and which have been surrendered for cancellation as provided in Condition 7 (*Cancellation*) and notice of the cancellation of which has been given to the Trustee (excluding, for the avoidance of doubt, any Reallocated Bonds which the Issuer has reallocated in accordance with Condition 7 (*Cancellation*));
- (d) those which have become void or those in respect of which Claims have become prescribed under Condition 13 (*Prescription*);
- (e) those mutilated or defaced Bonds which have been surrendered or cancelled and in respect of which replacement Bonds have been issued pursuant to Condition 14 (*Replacement of Certificates*);
- (f) (for the purpose only of ascertaining the aggregate nominal amount of Bonds outstanding and without prejudice to the status for any other purpose of the relevant Bonds) those Bonds which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 14 (*Replacement of Certificates*);
- (g) those in respect of which Conversion Rights have been exercised pursuant to Condition 6 (*Conversion*) and all the obligations of the Issuer in relation thereto have been duly performed; and
- (h) each Registered Global Certificate to the extent that it shall have been exchanged for Definitive Certificates pursuant to its provisions,

provided that for each of the following purposes, namely:

- (i) ascertaining the right to attend and vote at any meeting of Bondholders;
- (ii) the determination of how many and which Bonds are for the time being outstanding for the purposes of Condition 11 (*Events of Default*), Condition 15 (*Meetings of Bondholders*) and the Provisions for Meetings of Bondholders set out in Schedule 5 *Provisions for Meetings of Bondholders*) to the Trust Deed; and
- (iii) the exercise of any discretion, power or authority, whether contained in the Trust Deed or these Conditions or provided by law, which the Trustee is required or entitled, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders or any of them,

Restricted Bonds and any Bonds or Bond Interests which are for the time being beneficially held by or are held on behalf of the Issuer or any of its subsidiaries and not yet cancelled shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"Participating Member State" means any member state of the European Union that has the euro as its lawful currency in accordance with the legislation of the European Union relating to Economic and Monetary Union.

A **"person"** means any individual, company, corporation, firm, partnership, limited liability partnership, joint venture, undertaking, association, unincorporated association, limited liability company, organisation or trust (in each case whether or not being a separate legal entity), but excluding any governmental authority or institution, or the Central Bank of Russia (CBR), or any other Russian public authority or institution.

"PIK Amount" has the meaning assigned to it in Condition 8.3 (*Capitalisation*).

"Principal Amount Outstanding" means, at any relevant time and in respect of any Bond and each Bond Interest under any Bond, the initial principal amount of that Bond or Bond Interest on the Issue Date (or, in the case of a Further Bond and its related Further Bond Interests, on the date on which that Further Bond and its related Further Bond Interests were issued), plus each PIK Amount added to that initial principal amount on each subsequent Capitalisation Date, minus the aggregate Bond Principal Payments paid to the holder of that Bond or Bond Interest in respect thereof, at all times, as recorded in the CB Register.

"Put Option Exercise Period" means the period in which the Sberbank Put Option may be exercised, on such terms as may be amended in accordance with the Administrative Conditions.

"Put Option Shares" means up to one million one hundred and twenty-eight thousand eight hundred and three (1,128,803) ordinary shares in the capital of Poslovni Sistem Mercator d.d.;

"Quarter Date" means the last Business Day in each of March, June, September and December.

"Reallocated Bonds" has the meaning assigned to it in Condition 7.4(c).

"Record Date" has the meaning assigned to it in Condition 9.5(b) (*Record Date*).

"Register" means the CB Register and/or the DR Register, as the context requires.

"Registered Global Certificate" means the Regulation S Global Certificate and/or the Rule 144A Global Certificate, as the context requires.

"Registrar" means the CB Registrar and/or the DR Registrar, as the context requires.

"Regulation S" means Regulation S under the Securities Act.

"Regulation S Bonds" has the meaning assigned to it in Condition 3.3(e) (*Restrictions on Transfer*).

"Regulation S Global Certificate" means the Regulation S global certificate in registered form which will evidence the Regulation S Bonds, substantially in the form set out in Schedule 2 to the Trust Deed and evidencing the registration of the person named therein in the CB Register.

"Relevant Date" means, in respect of any Bond, whichever is the later of (a) the date on which payment in respect of it first becomes due, and (b) if any amount of the money payable is improperly withheld or refused, the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with these Conditions that such payment will be made, provided that such payment is in fact made as provided in these Conditions.

"**Repay**" includes "**redeem**" and vice versa and "**repaid**," "**repayable**," "**repayment**," "**redeemed**," "**redeemable**" and "**redemption**" shall be construed accordingly.

"**Resolved Challenged Claim**" has the meaning assigned to it in Condition 7.3(b) (*Reallocated Bonds*).

"**Resolved Challenged Claim Resolution Date**" has the meaning assigned to it in Condition 7.3(b) (*Reallocated Bonds*).

"**Restricted Bonds**" means, at any relevant time, any Bonds or Bond Interests at that time registered in the name of the Securities Escrow Agent.

"**Rule 144A**" has the meaning assigned to it in Condition 1.1 (*Form and Denomination*).

"**Rule 144A Bonds**" has the meaning assigned to it in Condition 3.3(e) (*Restrictions on Transfer*).

"**Rule 144A Global Certificate**" means the Rule 144A global certificate in registered form which will evidence the Rule 144A Bonds, substantially in the form set out in Schedule 1 to the Trust Deed and evidencing the registration of the person named therein in the CB Register.

"**Sanctions**" means those trade, economic and financial sanctions laws, regulations, embargoes, and restrictive measures administered, enacted or enforced from time to time by (a) the United States (including without limitation the Department of Treasury, Office of Foreign Assets Control), (b) the European Union and its member states, (c) the United Kingdom (including without limitation HM Treasury, the Office of Financial Sanctions Implementation), (d) the Netherlands and (e) the United Nations.

"**Sanction Assets**" has the meaning assigned to it in the Securities Escrow Deed.

"**Sanctions-Related Bond Interests**" means, with respect to Bond Interests allocated under the Settlement Plan to the holder of a Claim or Claims who as at the Implementation Commencement Date is subject to Sanctions, and at any relevant time thereafter, all or any portion of those Bond Interests which are required to be distributed initially to the Securities Escrow Agent in accordance with the terms of the Settlement Plan, and which remain registered in the name of the Securities Escrow Agent.

"**Sberbank**" means Sberbank of Russia.

"**Sberbank Loan Note**" means the loan note in an amount up to €50,000,000.00 issued by the Issuer on or about the Issue Date to Sberbank.

"**Sberbank Put Option**" means the put option granted to Sberbank relating to the transfer by Sberbank to the Issuer or the Croatian HoldCo of the Put Option Shares, on the terms reflected in the Settlement Plan and as such terms may be amended in accordance with the Administrative Conditions.

"**Sberbank Put Option Exercise**" has the meaning assigned to it in Condition 20.1(a) (*Further Bonds and Additional Bonds*).

"**Secured Claim**" has the meaning assigned to it in the Securities Escrow Deed.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Securities Escrow Agent**" means, at any relevant time, the person then appointed as securities escrow agent pursuant to the Securities Escrow Deed.

"**Securities Escrow Deed**" means the securities escrow deed between (among others) the Issuer, the STAK, Lucid Agency Services Limited in its capacity as Securities Escrow Agent and Lucid Issuer Services Limited in its capacity as CB Custodian dated on or about the Issue Date;

"**Settlement Plan**" means the settlement plan submitted by the Extraordinary Administrator pursuant to Article 43 of the EA Act on 20 June, 2018 and confirmed by the Commercial Court in Zagreb under business number St-1138/2017-2823 on 6 July 2018, as such settlement plan may be amended, modified, supplemented or restated at any time after 20 June, 2018 in accordance with the EA Act.

"**Settlement Recovery**" has the meaning given to it in the Settlement Plan.

"**Shares**" means shares in the capital of the Issuer.

"**Special Quorum Resolution**" has the meaning assigned to it in Schedule 5 (*Provisions for Meetings of Bondholders*) to the Trust Deed.

"**Specified Office**" means, in relation to any Agent, either the office identified with its name in these Conditions or any other office notified to any relevant parties pursuant to the Paying, Transfer and Conversion Agency Agreement.

"**Specified Denomination**" has the meaning assigned to it in Condition 1.1 (*Form and Denomination*).

"**Stapling Requirement**" means the requirement that the Bond Interests and Depositary Receipts allocated to a creditor pursuant to the Settlement Plan in respect of a particular Claim may not be separated or transferred independently of each other, but must always (except as specified in Condition 3.3(h) (*Restrictions on Transfer*)) be held by the applicable holder (including any transferee) as a single unit, transferable only in accordance with these Conditions, the Administrative Conditions and the Transfer Regulations, including on any exercise of tag, drag or like rights referable to the Depositary Receipts.

"**Supplier Loan Note**" means the loan note in an amount up to €1,423,499.32 issued by the Issuer on or about the Issue Date to Aisle SPRC Stichting in respect of certain Border Claims (as defined in the Settlement Plan).

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November, 2007.

"**TARGET2 Day**" means any day on which TARGET2 is open for settlement of payments, in euro.

"**Transaction Documents**" means:

- (a) the Trust Deed;
- (b) the Custody Deed;
- (c) the Securities Escrow Deed;

- (d) the Paying, Transfer and Conversion Agency Agreement; and
- (e) the Bonds (including the Conditions attached thereto).

"**Transfer Fee**" has the meaning assigned to it in the Paying, Transfer and Conversion Agency Agreement.

"**Transfer Notice**" means the form of transfer notice to be completed in respect of a transfer of Bonds and/or Bond Interests and Depositary Receipts in accordance with and annexed to the Transfer Regulations.

"**Transfer Regulations**" has the meaning assigned to it in Condition 3.3(a) (*Restrictions on Transfer*).

"**Transferee**" has the meaning assigned to it in Condition 3.3(b) (*Restrictions on Transfer*).

"**Transferor**" has the meaning assigned to it in Condition 3.3(b) (*Restrictions on Transfer*).

"**U.S.**" and "**US**" mean the United States of America.

- 2.2 References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.
- 2.3 An Event of Default is "continuing" if it has not been remedied or waived.
- 2.4 Words denoting the singular number only shall include the plural number also and vice versa.
- 2.5 Words denoting one gender only shall include the other gender.
- 2.6 A day means a calendar day and a month means a period beginning in one calendar month and ending on the next calendar month on the day numerically corresponding to the day of the calendar month in which it started provided that, if there is no such numerically corresponding day, it shall instead end on the preceding day.
- 2.7 References to a Bondholder, the Issuer, the Trustee, any Agent, the CB Custodian, the DR Custodian or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees.

3. REGISTRATION AND TRANSFER OF BONDS

3.1 Register

The Issuer shall maintain, or shall procure that the CB Registrar maintains, a register (the "**CB Register**" which term includes, unless otherwise expressly stated to the contrary in these Conditions, the CB Register A and the CB Register B in respect of the Bond Interests) to be kept in accordance with the terms of the Paying, Transfer and Conversion Agency Agreement or such other contract with the CB Registrar as the Management Board may approve, the terms of which are consistent with the terms of these Conditions. The CB Registers shall be kept and maintained at the Specified Office of the CB Registrar outside of the United Kingdom. The entries in the CB Register constitute the conclusive proof of ownership of the Bonds and, in the case of Registered Global Certificates, the Bond Interests.

Bond Interests allocated in respect of a Challenged Claim shall be recorded in the CB Register B with the additional identifier of "EA" (in respect of an EA Challenged Claim) or

"CC" (in respect of a Creditor Challenged Claim) against the name of the applicable Challenging Creditor and its allocation of Bond Interests in respect of that Challenged Claim. The Bond Interests allocated to a Challenged Claim (including upon any transfer of those Bond Interests permitted by these Conditions and the Transfer Regulations) shall be recorded in the CB Register B until the Issuer informs the CB Registrar in writing that the Challenged Claim has either been irrevocably dismissed in full, or has been admitted as a Determined Claim. Once the Issuer informs the CB Registrar that a Challenged Claim has been admitted as a Determined Claim, the Bond Interests allocated to that Determined Claim (including upon any transfer of those Bond Interests permitted by the Conditions and the Transfer Regulations) shall be recorded in the CB Register A.

3.2 **Transfer of Registered Global Certificates and Bond Interests**

- (a) The Registered Global Certificates may be transferred, in whole but not in part only, upon the surrender (at the Specified Office of the CB Registrar or at such other office as may be specified by the Issuer from time to time pursuant to the Transfer Regulations) of the relevant Registered Global Certificate to be transferred, together with a Transfer Notice, duly completed and executed by the person shown on the Register as Transferor and by the proposed Transferee, together with such other evidence, including legal opinions, not specified in the Transfer Regulations as the Issuer or the CB Registrar, as applicable, may reasonably require in a form reasonably satisfactory to it to confirm that such transfer complies with the Transfer Regulations.
- (b) The Issuer shall ensure that the CB Registrar promptly registers such transfer in the CB Register upon compliance with the foregoing provision and the other provisions of this Condition 3. No transfer will be valid unless and until entered on the Register and any requirements that are specified to be completed prior to a transfer under and pursuant to this Condition 3, the Transfer Regulations or the Administrative Conditions have been complied with in all respects.
- (c) For so long as any of the Bonds are represented by a Registered Global Certificate and that Registered Global Certificate is held by and registered in the name of the CB Custodian, transfers of any Bond Interests will be effected by the transferring Bondholder or its proposed Transferee delivering to the Issuer and the CB Registrar a duly completed and executed Transfer Notice (which may be delivered electronically by e-mail or by an electronic portal as permitted under the Transfer Regulations). No such transfer will be valid unless and until registered on the CB Register.
- (d) Upon the transfer of a Registered Global Certificate in accordance with Condition 3.2(a) above, or the transfer of Bond Interests in accordance with Condition 3.2(c) above, the DR Register shall be updated to reflect the transfer of all Depository Receipts relating thereto in accordance with the Stapling Requirement.
- (e) If the holder of a beneficial interest in a Bond represented by an interest in a Rule 144A Global Certificate wishes at any time to transfer its interest in such Rule 144A Global Certificate to a person who wishes to take delivery thereof in the form of a beneficial interest in such Bond represented by an interest in such Rule 144A Global Certificate, such Bondholder may transfer or cause the transfer of such interest for an equivalent beneficial interest in such Rule 144A Global Certificate in accordance with the Transfer Regulations. Any purported transfer of an interest in a Rule 144A Global Certificate to a U.S. person (as defined in Rule 902 under the Securities Act) that is not a person that is a "qualified institutional buyer" (as defined in Rule 144A)

(or does not meet the other requirements set out in the Transfer Regulations) shall be null and void *ab initio* and shall not be given effect for any purpose.

- (f) If a holder of a beneficial interest in a Rule 144A Global Certificate wishes at any time to transfer its interest in such Rule 144A Global Certificate to a person who wishes to take delivery thereof in the form of a beneficial interest in the corresponding Regulation S Global Certificate, such holder, provided the transferee is outside the United States and is not a U.S. person (as defined in Rule 902 under the Securities Act) (and meets the other requirements set out in the Transfer Regulations), may transfer or cause the transfer of such interest for an equivalent beneficial interest in the relevant Regulation S Global Certificate. Upon receipt by the CB Registrar of a Transfer Notice signed by the transferor and the transferee of such beneficial interest requesting the CB Registrar to cause to be credited a beneficial interest in the Regulation S Global Certificate in an amount equal to the beneficial interest in the Rule 144A Global Certificate to be transferred, but not less than the required minimum denomination, and stating (i) that the transfer of such interest has been made in compliance with the Transfer Regulations, including that the transferee is not a U.S. person (as defined in Rule 902 under the Securities Act), and (ii) that the transfer of such interest is being made pursuant to and in accordance with Regulation S, the CB Registrar shall reduce the applicable Rule 144A Global Certificate by the aggregate principal amount of the beneficial interest in such Rule 144A Global Certificate to be transferred, record the transfer in the CB Register and increase the principal amount of the relevant Regulation S Global Certificate by the aggregate principal amount of the beneficial interest in the Rule 144A Global Certificate to be transferred. Any purported transfer in violation of the foregoing requirements shall be null and void *ab initio*, and the CB Registrar shall not register any such purported transfer.
- (g) If a holder of a beneficial interest in a Regulation S Global Certificate wishes at any time to transfer its interest in such Regulation S Global Certificate to a person who wishes to take delivery thereof in the form of an interest in the corresponding Rule 144A Global Certificate, such holder may, subject to the Transfer Regulations, transfer or cause the transfer of such interest for an equivalent beneficial interest in such Rule 144A Global Certificate as described below. Upon receipt by the CB Registrar of a Transfer Notice signed by the transferor and the transferee of such beneficial interest requesting the CB Registrar to cause to be credited a beneficial interest in the Rule 144A Global Certificate in an amount equal to the beneficial interest in the Regulation S Global Certificate to be transferred, but not less than the minimum denomination applicable to such Rule 144A Global Certificate, then the CB Registrar shall reduce the applicable Regulation S Global Certificate by the aggregate principal amount of the beneficial interest in such Regulation S Global Certificate to be transferred, record the transfer in the CB Register and increase the principal amount of the relevant Rule 144A Global Certificate by the aggregate principal amount of the beneficial interest in the Regulation S Global Certificate to be transferred. Any purported transfer in violation of the foregoing requirements shall be null and void *ab initio*, and the CB Registrar shall not register any such purported transfer. Any purported transfer of an interest in a Regulation S Global Certificate to a U.S. person (as defined in Rule 902 under the Securities Act) or within the United States shall be null and void *ab initio* and shall not be given effect for any purpose.
- (h) If a holder of a beneficial interest in a Regulation S Global Certificate wishes at any time to transfer its interest in such Regulation S Global Certificate to a person who wishes to take delivery thereof in the form of a beneficial interest in such Regulation S Global Certificate, such holder may transfer or cause the transfer of such interest

for an equivalent beneficial interest in such Regulation S Global Certificate in accordance with the Transfer Regulations. Any purported transfer in violation of the foregoing requirements shall be null and void *ab initio*.

3.3 Restrictions on Transfer

- (a) All transfers of Bonds and entries on the CB Register are subject to the restrictions on transfer of the Bonds contained in these Conditions, the Administrative Conditions and the Transfer Regulations. The Management Board and (where applicable) the board of the STAK will from time to time specify detailed regulations relating to the transfer of the Bonds, the Bond Interests and the Depositary Receipts, consistent with the requirements of and restrictions on transfer stipulated in the Administrative Conditions and these Conditions (the detailed regulations on transfer from time to time being the "**Transfer Regulations**"). A copy of the most recent version of the Transfer Regulations will be made available on the Investors' Website.
- (b) A Bondholder (a "**Transferor**") may not transfer any Bonds or Bond Interests held by it to another person (a "**Transferee**") unless:
 - (i) the principal amount of the Bonds or Bond Interests to be transferred is at least the Specified Denomination;
 - (ii) the transfer satisfies the Stapling Requirement; and
 - (iii) the transfer complies with the Transfer Regulations.
- (c) Upon acquiring Bonds or Bond Interests and Depositary Receipts and until such time as it disposes of all of its Bonds or Bond Interests and Depositary Receipts, each Bondholder:
 - (i) undertakes to maintain a holding of Bonds or Bond Interests and Depositary Receipts sufficient to transfer those Bonds or Bond Interests and Depositary Receipts in accordance with this Condition 3.3; and
 - (ii) will be deemed to represent and warrant continuously to the Issuer, the CB Registrar, the DR Registrar, the CB Custodian, the DR Custodian and the STAK that it satisfies the Stapling Requirement.
- (d) No beneficial owner of an interest in a Registered Global Certificate (including a holder of any Bond Interest) and no holder of a Definitive Certificate will be able to exchange or transfer that interest or the Bond represented by that Definitive Certificate to any person unless, following such transfer, the Transferor's and Transferee's proportionate holdings (including the holdings of their respective Affiliates) of the Bonds (or, if applicable, Bond Interests) are the same as their respective proportionate holdings of the Depositary Receipts.
- (e) The Bonds will not be registered under the securities laws of the United States of America or of any state of the United States of America and will be issued pursuant to the Settlement Plan in reliance on available exemptions from such United States' federal or state law registration requirements or the pre-emption of such requirements by the Securities Act.

Upon issuance, the Bonds will be "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and may not be resold without registration in

accordance with the requirements of the Securities Act or pursuant to one or more exemptions from the registration requirements of the Securities Act.

In particular, the Bonds may only be offered or resold (i) to the Issuer or any subsidiary thereof; (ii) pursuant to a registration statement that has been declared effective under the Securities Act; (iii) for so long as the Bonds are eligible for resale pursuant to Rule 144A under the Securities Act, to a person the Transferor reasonably believes is a "qualified institutional buyer", commonly referred to as a "QIB", as defined in Rule 144A under the Securities Act in compliance with Rule 144A (the "**Rule 144A Bonds**"); (iv) outside the United States in an offshore transaction in compliance with Regulation S under the Securities Act; or (v) pursuant to any other available exemption from the registration requirements of the Securities Act (the "**Regulation S Bonds**"). The Transfer Notice will include provisions reasonably designed to ensure that all transfers are in compliance with this paragraph.

- (f) The CB Registrar may refuse to register any transfer of Bonds or Bond Interests in accordance with the Transfer Regulations if it is notified in writing by the Issuer that effecting the transfer would result in the New Group or any company part thereof becoming subject to Sanctions or a breach of Sanctions by the Issuer or the STAK, or that an applicable MC Condition has not been fulfilled.
- (g) Neither the CB Registrar, the Trustee nor the CB Custodian shall have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfers imposed under the Transfer Regulations or under applicable law with respect to any transfer of any Bonds, Bond Interests or the Depositary Receipts, other than, in the case of the CB Registrar, to require delivery of such certificates or other documentation as and when they are expressly required by the Transfer Regulations, these Conditions or the Administrative Conditions and to examine such certificates and other documentation to determine to its satisfaction (acting reasonably) compliance with the express requirements of the Transfer Regulations, these Conditions and the Administrative Conditions. Notwithstanding the above, if the CB Registrar has any doubt as to compliance with the Transfer Regulations, these Conditions and the Administrative Conditions, it shall be entitled to refer the issue to the Issuer for a determination (a "**Determination**"). Such Determination shall be final and binding (absent manifest error) and the CB Registrar shall rely solely on the Issuer to resolve any discrepancies.
- (h) Immediately upon the conversion of the Bonds in accordance with Condition 6 (*Conversion*), the Stapling Requirement shall automatically cease to apply, without any requirement to enter any further documents or take any further actions.

3.4 **Definitive Certificates**

Interests in a Registered Global Certificate will be exchangeable (free of charge to the holder), in whole but not in part, for Definitive Certificates only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means an Event of Default has occurred and is continuing, provided that the Bonds are not required to be converted at that time in accordance with Condition 6 (*Conversion*).

3.5 **Delivery of New Certificates**

- (a) Each new Certificate that is required to be issued upon a transfer or exchange will, within seven (7) business days of receipt by the CB Registrar of the original Certificate and the duly completed and signed Transfer Notice and payment of any

applicable Transfer Fee in accordance with the Transfer Regulations, be made available for collection at the Specified Office of the CB Registrar or, if so requested in the Transfer Notice, be sent by registered post by at the risk of the holder entitled to the Bond (but free of charge to the holder) to the address specified in the Transfer Notice or in such other manner as is permitted by the then current Transfer Regulations.

- (b) If any Bond Interest is transferred in accordance with this Condition 3, within seven (7) business days of receipt by the CB Registrar of the duly completed and signed Transfer Notice and payment of any applicable Transfer Fee in accordance with the Transfer Regulations, the CB Registrar shall send by e-mail or other electronic transmission (or, if so requested in the Transfer Notice, the CB Registrar shall make available for collection at the Specified Office of the CB Registrar or shall send by registered post at the risk of the holder entitled to the Bond Interest (but free of charge to the holder)) to the address specified in the Transfer Notice, or such other manner as is permitted by the then current Transfer Regulations, written confirmation of that holder's Bond Interest as recorded in the Register.
- (c) For the purposes of this Condition 3.5, "**business day**" shall mean a day (other than a Saturday or Sunday) on which commercial banks are open for business in Amsterdam, London and Zagreb and (if different) the city in which the Specified Office of the CB Registrar is located.

3.6 Formalities

Registration of a transfer of Bonds (including any transfer of a Bond Interest) will be effected pursuant to the terms of the Transfer Regulations and subject to the Transferor paying or procuring the payment of the applicable Transfer Fee and any taxes, duties and other governmental charges in connection therewith.

3.7 Closed Periods

No Bondholder may require the transfer of a Bond or beneficial interest therein (including a Bond Interest) to be registered:

- (a) during the period of fifteen (15) calendar days ending on (and including) the Final Maturity Date;
- (b) after a Mandatory Redemption Notice, an IPO Conversion Notice or an Exit Conversion Notice has been validly delivered by the Issuer and received by the CB Registrar;
- (c) during the period of seven (7) calendar days ending on (and including) any Record Date; or
- (d) for a period of fourteen (14) calendar days following the Issue Date or, in the case of an issuance of Further Bonds and the Further Bond Interests in respect thereof, within fourteen (14) calendar days following the date of issuance of those Further Bonds and their related Bond Interests.

3.8 Regulations

- (a) All transfers of Bonds and Bond Interests and all entries on the CB Register will be made subject to the detailed regulations concerning transfers of Bonds and Bond

Interests in the Transfer Regulations. A copy of the most recent version of the Transfer Regulations will be posted at all times to the Investors' Website and posted or emailed (free of charge) by the CB Registrar or the Paying, Transfer and Conversion Agent to any Bondholder upon written request.

- (b) The Issuer and the STAK may amend the Transfer Regulations at any time and from time to time without the approval of the Bondholders or the holders of the Depositary Receipts in order to reflect changes in law, regulation or administrative practice.
- (c) In the event that the CB Registrar determines that any information contained in the CB Register (whether provided by or on behalf of the Issuer, HoldCo, any holder of a Bond Interest or otherwise) is incorrect in any material particular (each, a "**CB Data Error**"), the CB Registrar shall promptly notify the Issuer in writing of such fact. The Issuer shall take such steps as may be necessary in order to ascertain the correct information and provide the same to the CB Registrar in order to rectify such CB Data Error and the CB Registrar shall be authorized, without the need for the consent of the Bondholders or any other person, to make such amendments and modifications to the CB Register as may be necessary in order to correct such CB Data Error.

4. COVENANTS AND UNDERTAKINGS

The covenants and undertakings given by the Issuer in this Condition 4 shall be binding upon the Issuer for so long as any Bonds remain outstanding.

4.1 General

The Issuer has covenanted in favour of the Trustee, which such covenant is held on trust for the Bondholders, that it will comply with the provisions of these Conditions, the Trust Deed and the other Transaction Documents which are expressed to be binding on it and has covenanted to perform and observe the same.

4.2 Financial Information

So long as any Bond remains outstanding, the Issuer shall prepare and post the following information on the Investors' Website and shall in any event provide the following information to the Trustee:

- (a) as soon as they become available and in any event within one hundred and twenty (120) calendar days after the relevant year end, in relation to the Issuer's financial year end on 31 December, 2019 and each financial year thereafter, its audited consolidated financial statements for that financial year; and
- (b) as soon as they become available and in any event within sixty (60) calendar days after the relevant Quarter Date, in relation to each financial quarter ending on a Quarter Date after 30 June 2019, its unaudited quarterly consolidated financial statements for the financial quarter ending on that Quarter Date (other than in respect of the Quarter Date ended on 31 December in each year), including an updated valuation of its assets as at the end of each financial half year.

4.3 Operation of Investors' Website

The Issuer shall operate and maintain, or shall procure that Croatian HoldCo shall operate and maintain, one or more web-pages on a website (the "**Investors' Website**"), that is accessible to each Bondholder in possession of a unique password that has been or shall be provided by

the Issuer upon request and upon that Bondholder providing the Issuer with any contact information (including e-mail address details) it requires for that purpose. The Investors' Website shall provide access to the Transfer Regulations, the form of Transfer Notice, the Trust Deed and the Paying, Transfer and Conversion Agency Agreement, a copy of the Articles of Association, the articles of association of the STAK and of the Administrative Conditions and such other information as may from time to time be required to be provided to the Bondholders pursuant to or in accordance with in the Transaction Documents and/or these Conditions as soon as reasonably practicable after it becomes available.

4.4 Events of Default

The Issuer shall notify the Bondholders by way of a notice posted on the Investors' Website (with a copy to the Trustee, the CB Custodian and each Agent) as soon as possible if an Event of Default has occurred or, if in the opinion of the Management Board, an Event of Default is reasonably likely to occur.

4.5 Information and Notices

The Issuer has covenanted in favour of the Trustee, which such covenant is held on trust for the Bondholders, that it will provide the Trustee, the Agents and each of the CB Custodian and the DR Custodian with all information (including any notices, consents and waivers) necessary for the Trustee, each Agent, the Securities Escrow Agent and each of the CB Custodian and the DR Custodian to perform their respective obligations under the Transaction Documents. The Issuer and the Trustee have agreed that none of the Trustee, the Agents or the CB Custodian shall be under any obligation to forward such information to Bondholders unless otherwise required by any Transaction Document).

5. REPRESENTATIONS AND WARRANTIES

5.1 The Issuer represents and warrants to the Bondholders and the Trustee that:

- (a) it is incorporated and validly existing under the laws of the Netherlands and has full power and authority to own its properties and to conduct its business as conducted at the Issue Date;
- (b) each of the Transaction Documents have been duly authorised by the Issuer and constitute, valid and legally binding obligations of the Issuer and it has full power and authority to enter into, issue and perform its obligations under the Transaction Documents; and
- (c) the execution and delivery of the Transaction Documents and the performance of the terms of the Transaction Documents by the Issuer is permitted under Dutch law and is in accordance with the Settlement Plan.

6. CONVERSION

6.1 Mandatory Issuer Conversion in full

- (a) Unless previously converted as described in Condition 6.2 (*Mandatory Conversion – IPO*), Condition 6.3 (*Issuer Conversion - Exit*) or redeemed in full pursuant to Condition 9, the Issuer shall, on the earlier to occur of (i) subject only to the proviso to this Condition 6.1(a), the Final Maturity Date if the Bonds are not then redeemed in full, and (ii) an Event of Default, convert all Bonds then outstanding by procuring the issuance by the Issuer of Shares to the STAK and the issuance by the STAK of

corresponding Depositary Receipts to the DR Custodian for the benefit of each Bondholder in respect of its Bonds or Bond Interests, at the Conversion Rate in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) (such redemption being the "**Mandatory Issuer Conversion**"). Conversion of any outstanding Bonds against the issuance by the Issuer of Shares and the issuance by the STAK of corresponding Depositary Receipts in respect of Bonds or Bond Interests pursuant to this Condition 6.1 (*Mandatory Issuer Conversion in full*) shall in all cases be in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) and Condition 6.5 (*General Procedures*), provided that no such Mandatory Issuer Conversion shall occur at the Final Maturity Date if redemption in full of the Bonds on the Final Maturity Date would not, of itself, cause the Issuer to be subject to suspension of payments or bankruptcy for the purposes of the Bankruptcy Act of the Netherlands (*Faillissementswet*).

- (b) The Issuer shall issue a notice to the Bondholders in accordance with Condition 16 (*Notices*), with a copy to the Trustee, the CB Registrar, the DR Registrar, the CB Custodian, the DR Custodian and the Principal Paying, Transfer and Conversion Agent (each such notice being a "**Mandatory Redemption Notice**"), specifying, among other things, the Conversion Date on which the Issuer shall convert the Bonds in full by procuring the issuance by the Issuer of Shares and the issuance by the STAK of corresponding Depositary Receipts pursuant to a Mandatory Issuer Conversion.

6.2 **Mandatory Conversion – IPO**

- (a) Unless previously converted in full in accordance with Condition 6.1 (*Mandatory Issuer Conversion in full*), Condition 6.3 (*Issuer Conversion - Exit*) or redeemed in full in accordance with Condition 9 (*Payments and Redemption*), the Issuer shall convert all Bonds then outstanding into Depositary Receipts of the STAK on or immediately prior to the date of completion of any IPO (or on such other date as the Issuer may determine in accordance with the Articles of Association), by procuring the issuance by the Issuer of Shares to the STAK and the issuance by the STAK of corresponding Depositary Receipts to the DR Custodian for the benefit of each Bondholder in respect of its Bonds or Bond Interests at the Conversion Rate in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) (such redemption being the "**IPO Conversion**"). Conversion of any outstanding Bonds or Bond Interests by the issue and delivery of Depositary Receipts in respect of Bonds or Bond Interests pursuant to this Condition 6.2 shall in all cases be in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) and Condition 6.5 (*General Procedures*).
- (b) The Issuer shall issue a notice to the Bondholders in accordance with Condition 16 (*Notices*), with a copy to the Trustee, the CB Registrar, the DR Registrar, the CB Custodian, the DR Custodian and the Principal Paying, Transfer and Conversion Agent (each such notice being an "**IPO Conversion Notice**"), specifying, among other things, the Conversion Date on which the Issuer shall convert the Bonds in full by procuring the issuance by the Issuer of Shares and the issuance by the STAK of corresponding Depositary Receipts pursuant to an IPO Conversion.

6.3 **Issuer Conversion – Exit**

- (a) Unless previously converted in full in accordance with Condition 6.1 (*Mandatory Issuer Conversion in full*), Condition 6.2 (*Mandatory Conversion – IPO*) or redeemed in full in accordance with Condition 9 (*Payments and Redemption*), the Issuer shall, if

so resolved by its Management Board and sanctioned by an Ordinary Resolution of the Bondholders, convert all Bonds then outstanding into Depositary Receipts of the STAK on or immediately prior to the date of completion of any Exit (or on such other date as the Issuer may determine in accordance with the Articles of Association), by procuring the issuance by the Issuer of Shares to the STAK and the issuance by the STAK of corresponding Depositary Receipts to the DR Custodian for the benefit of each Bondholder in respect of its Bonds or Bond Interests at the Conversion Rate in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) (such redemption being the "**Exit Conversion**"). Conversion of any outstanding Bonds or Bond Interests by the issue and delivery of Depositary Receipts in respect of Bonds or Bond Interests pursuant to this Condition 6.3 shall in all cases be in accordance with Condition 6.4 (*Conversion Notices and Conversion Rate*) and Condition 6.5 (*General Procedures*).

- (b) The Issuer shall issue a notice to the Bondholders in accordance with Condition 16 (*Notices*), with a copy to the Trustee, the CB Registrar, the DR Registrar, the CB Custodian, the DR Custodian and the Principal Paying, Transfer and Conversion Agent (each such notice being an "**Exit Conversion Notice**"), specifying, among other things, the Conversion Date on which the Issuer shall convert the Bonds in full by procuring the issuance by the Issuer of Shares and the issuance by the STAK of corresponding Depositary Receipts pursuant to an Exit Conversion.

6.4 Conversion Notices and Conversion Rate

- (a) A conversion of the Bonds into Depositary Receipts shall only be effected in accordance with the procedures set out in this Condition 6, the Articles of Association, the articles of association of the STAK and the Administrative Conditions. For avoidance of doubt, the conversion of a Bond shall automatically convert all Bond Interests relating to that Bond.
- (b) The number of Shares to be issued by the Issuer and the number of corresponding Depositary Receipts to be issued by the STAK upon conversion of the Bonds or Bond Interests pursuant to this Condition 6, to be applied on a *pro rata* basis across the holdings of Bonds or Bond Interests of each Bondholder, shall be determined by the Issuer by dividing the Principal Amount Outstanding of each Bond and Bond Interest to be converted by 1 (the "**Conversion Rate**").
- (c) Any Conversion Notice issued by the Issuer shall, save in the case of manifest error, be conclusive and binding on the Bondholders. A Conversion Notice, once notified to the Bondholders in accordance with these Conditions, shall be irrevocable. A Conversion Notice must be given to the Bondholders in accordance with Condition 16 (*Notices*), and copied by the Issuer to the persons listed in Condition 6.1(b) (*Mandatory Issuer Conversion in full*), Condition 6.2(b) (*Mandatory Conversion – IPO*) or Condition 6.3(b) (*Issuer Conversion - Exit*), as applicable, by no later than the seventh (7th) Business Day prior to the relevant Conversion Date.
- (d) Fractions of Depositary Receipts will not be issued or delivered on conversion and no cash payment or other adjustment will be made in lieu thereof. If any conversion in accordance with this Condition 6 (*Conversion*) would result in an entitlement to a fraction of a Depositary Receipt, the Issuer shall instruct the STAK to round such fraction of a Depositary Receipt down to the nearest whole Depositary Receipt. If the number of Depositary Receipts to be issued in accordance with this Condition 6.4 is zero (0), the Issuer shall not be required to issue Shares or to require the STAK to issue any Depositary Receipts but the Issuer shall be treated as having complied with

its obligation to redeem or convert the relevant Bonds or Bond Interests in full, such that the Issuer shall not be liable for any further delivery or payment obligation under or in respect of such Bonds.

- (e) Each Bondholder holding a Definitive Certificate shall surrender its Bonds to the CB Registrar as evidence of its entitlement to Depositary Receipts and such Bonds shall subsequently be cancelled in accordance with Condition 7 (*Cancellation*). In the case of Bondholders who hold Bond Interests, the CB Registrar shall confirm the holdings of Bond Interests by reference to the CB Register, and (following completion of the conversion) shall cancel all entries relating to the Bond Interests and the Bonds in the CB Register.
- (f) On the Conversion Date, or as soon as reasonably practicable thereafter (but in any case within thirty (30) calendar days after the Conversion Date), the Issuer shall procure that it shall issue Shares to the STAK and the STAK shall issue Depositary Receipts to the DR Custodian for the benefit of the Bondholders according to their respective pro-rata interests. Accordingly, each such Bondholder shall be recorded in the register of holders of Depositary Receipts as holder of the applicable number of Depositary Receipts.
- (g) All Bonds converted in full pursuant to Condition 6.1 (*Mandatory Issuer Conversion in full*), Condition 6.2 (*Mandatory Conversion – IPO*) or Condition 6.3 (*Issuer Conversion - Exit*) shall be cancelled.

6.5 General Procedures

- (a) Following the implementation of conversion procedures in accordance with this Condition 6 (*Conversion*), the Bondholders must pay directly to the relevant authorities any taxes and capital, stamp, issue, registration and transfer taxes and duties arising on conversion (other than any capital, stamp, issue, registration and transfer taxes and duties payable in respect of the allotment, issue or transfer and delivery of any Depositary Receipts in respect of such exercise, which shall be paid by the Issuer). Such Bondholders must also pay all (if any) taxes arising by reference to any disposal or deemed disposal of a Bond or interest therein (including, without limitation, any Bond Interest) in connection with such conversion. If the Issuer shall fail to pay any capital, stamp, issue, registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.
- (b) The Shares to be issued by the Issuer and the Depositary Receipts to be issued by the STAK pursuant to conversion of the Bonds will be issued in accordance with Dutch law, the Articles of Association, the articles of association of the STAK, the Administrative Conditions and these Conditions. The number of Depositary Receipts held by each holder following the conversion of the Bonds shall be recorded in the DR Register.

6.6 Depositary Receipts

Depositary Receipts issued upon conversion of the Bonds will be issued in respect of fully paid Shares in the Issuer and will in all respects rank *pari passu* with all other Depositary Receipts in issue on the relevant Conversion Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Depositary Receipts

will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments on any Record Date or other due date for the establishment of entitlement which falls prior to the relevant Conversion Date.

6.7 **Purchase, Redemption, Buy Back or Cancellation of Shares and Depositary Receipts**

The Issuer may not, directly or indirectly, purchase or redeem or buy back or cancel any of its Shares, any Depositary Receipts, nor declare, pay or distribute any dividend, except in accordance with its Articles of Association, the articles of association of the STAK and the Administrative Conditions.

7. **CANCELLATION**

7.1 **Cancellation by CB Registrar**

- (a) All Bonds and Bond Interests which are any of the following:
 - (i) subject to conversion, and in respect of which a Conversion Notice has been issued; or
 - (ii) redeemed in accordance with Condition 9; or
 - (iii) confirmed by the Issuer to the Trustee in writing as Bond Interests that must be cancelled in accordance with the terms of the Settlement Plan because they were issued to a Creditor in respect of a Claim that is a Challenged Claim which has a Settlement Recovery in value equal to or less than fifty million euro (50,000,000) or it has been determined by a final, unappealable court resolution or a deed with the same effect that such Challenged Claim does not exist; or
 - (iv) KYC Assets held by the Securities Escrow Agent on the date that is the first anniversary of the Implementation Commencement Date; or
 - (v) subject to Condition 7.1(b) below; or
 - (vi) confirmed by the Issuer to the Trustee in writing as Bond Interests that must be cancelled in accordance with the terms of the Settlement Plan because they were issued to a Creditor in respect of a Claim that is a Secured Claim and such Claim where the related SSR (as defined in the Settlement Plan) was subject to pending avoidance actions and such SSR has been determined (by a final, unappealable court resolution or a deed with the same effect) as valid; or
 - (vii) Reallocated Bonds which are required to be cancelled in accordance with Condition 7.2 (*No cancellation of Reallocated Bonds*),

will be cancelled.

- (b) If, at any time following the Implementation Commencement Date, a Determined Creditor, a Challenging Creditor or the holder of a Challenged Claim (each a "**Recovering Creditor**") obtains cash or in kind recoveries through any collection or enforcement action against Agrokor and/or any other member of the EA Group (as defined in the Settlement Plan) (such amount obtained being the "**Enforcement Amount**"), Bond Interests and Depositary Receipts held by that Recovering Creditor

or allocated to that Recovering Creditor but held by the Securities Escrow Agent pursuant to the Securities Escrow Deed and the Settlement Plan, in each case with an aggregate value under the Settlement Plan equal to the Enforcement Amount (the "**Enforcement Reduction Amount**", and such amount as it relates to the Bond Interests only, the "**Enforcement Amount Bond Interests**") shall be cancelled in accordance with paragraph (c) below.

- (c) In respect of any Enforcement Amount Bond Interests, the Issuer shall:
 - (i) notify the Trustee, the Agents and, if applicable, the Securities Escrow Agent, indicating the applicable Recovering Creditor and, if a different person, the identity of the holder of the Enforcement Amount Bond Interests prior to the transfer referred to in Condition 7.1(c)(ii) and the Enforcement Amount; and
 - (ii) instruct the CB Registrar in writing (A) to transfer the Enforcement Amount Bond Interests to the Issuer by updating the CB Register to reflect this transfer; (B) to effect a cancellation of the Enforcement Amount Bond Interests by deleting them from the CB Register; and (C) to write down the Principal Amount Outstanding of the applicable Registered Global Certificate accordingly.
- (d) Registered Global Certificates in respect of all Bonds or Bond Interests which are cancelled shall be forwarded to or to the order of the CB Registrar and may not be reissued or resold.
- (e) If any Bonds or Bond Interests are required to be cancelled in accordance with this Condition 7 and, absent this paragraph (e), the principal amount outstanding of that Bond or Bond Interest would include a fraction of a whole number, any such fraction shall also be cancelled to the intent that the principal amount outstanding of any Bond or Bond Interest shall always be a whole number.

7.2 **No cancellation of Reallocated Bonds**

Any Bonds or Bond Interests which are reallocated to the Bondholders by reference to the allocations of entitlements to Bonds and Bond Interests determined by the EPC and in accordance with the Settlement Plan and these Conditions shall not be cancelled. Any transfer of Reallocated Bonds to the Bondholders shall be for nil consideration and shall be effected subject to and in accordance with the provisions of Condition 7.3 (*Reallocated Bonds*), Condition 7.4, Condition 3 (*Registration and Transfer of Bonds*) and the Transfer Regulations. Notwithstanding the foregoing provisions of this Condition 7.2, any remaining Reallocated Bonds not transferred to the Bondholders pursuant to Condition 7.3 (*Reallocated Bonds*) and the Settlement Plan must be surrendered for cancellation or, in the case of Bond Interests, deleted from the CB Register prior to a Mandatory Issuer Conversion, an IPO Conversion or an Exit Conversion pursuant to Condition 6 (*Conversion*).

7.3 **Reallocated Bonds**

- (a) Upon the resolution of a Challenged Claim by a final (non-appealable) court of competent jurisdiction or by a binding settlement agreed by the Extraordinary Administrator on terms such that the Challenging Creditor is accepted as a Determined Creditor for the purposes of the Settlement Plan, the Issuer shall instruct the CB Registrar and the DR Registrar to update each Register so as to reflect the change in designation of the Challenged Claim to a Determined Claim.

- (b) Upon the resolution of a Challenged Claim by a final (non-appealable) court of competent jurisdiction or by a binding settlement agreed by the Extraordinary Administrator on terms such that the Challenged Claim results in the existence of Reallocated Bonds (each such claim being a "**Resolved Challenged Claim**" and the day on which the resolution or settlement referred to above is made, the "**Resolved Challenged Claim Resolution Date**"), the Issuer shall (on the basis of information received from Croatian HoldCo after Croatian HoldCo has re-run the model establishing the EPC), and provided that that Resolved Challenged Claim has a Settlement Recovery in value of more than fifty million euro (€50,000,000), instruct the CB Registrar to allocate (and where applicable, transfer in accordance with the Transfer Regulations) the Reallocated Bonds to each Creditor (or its permitted assignees as a consequence of a transfer of Bond Interests) then registered as holders on the CB Register (and including, if applicable and for the avoidance of doubt, the Challenging Creditor in respect of that Challenged Claim, to the extent of its entitlement as a Determined Creditor) and the Securities Escrow Agent (in respect of any Bond Interests then held by the Securities Escrow Agent pursuant to the Securities Escrow Deed), in accordance with the entitlement to Bond Interests of each such Determined Creditor or remaining Challenging Creditors specified by the EPC as at the date on which the last EPC Re-Run occurred, adjusted as appropriate to remove from the EPC the applicable Resolved Challenged Claim.

7.4 For the purpose of these Conditions:

- (a) "**Bond Entitlement**" means, with respect to a Challenged Claim which has subsequently been accepted as a Determined Claim, and the Challenging Creditor in respect of that Challenged Claim, and as at the Resolved Challenged Claim Resolution Date, the amount equal to the result of (i) the aggregate Principal Amount Outstanding of Bond Interests allocated to that Challenging Creditor under the Settlement Plan in respect of its resolved Determined Claim, as determined as at the Implementation Commencement Date (but by reference to the resolved Determined Claim and not the original Challenged Claim) by the EPC *plus* (ii) any PIK Amount capitalised and added to the aggregate Principal Amount Outstanding of the Bond Interests referred to in sub-paragraph (i) above in the period from the Issue Date to but excluding the date on which those Bond Interests are transferred to that Challenging Creditor or to the Securities Escrow Agent on its behalf, *minus* (iii) the aggregate amount of Bond Principal Payments duly made on those Bond Interests pursuant to Condition 9 (*Payments and Redemption*) in the period from the Issue Date to the date of such transfer.
- (b) "**Contested Bonds**" means Bond Interests initially allocated by the EPC in respect of the Challenged Claim of a Challenging Creditor.
- (c) "**Reallocated Bonds**" means:
- (i) with respect to a Challenged Claim which has been finally recognised as a Determined Claim (pursuant to a final, non-appealable court order or settlement agreement agreed by the Extraordinary Administrator), Contested Bonds remaining immediately after the Bond Interests allocated to that Challenged Claim have been de-registered from the CB Register B and re-registered in CB Register A so as to reflect the change in designation of that Challenged Claim as a Determined Claim, which remaining Contested Bonds represent the amount by which the aggregate Principal Amount Outstanding of the Contested Bonds initially allocated in respect of that Challenged Claim (as adjusted to reflect the capitalisation of PIK Amounts, or reduced by Bond

Principal Payments made since the Issue Date) in accordance with the EPC and the Settlement Plan exceeds the amount, if any, of the Bond Entitlement determined in respect of that Challenged Claim; or

- (ii) with respect to a Challenged Claim which has been irrevocably dismissed in full (pursuant to a final, non-appealable court order or settlement agreement agreed by the Extraordinary Administrator), the Contested Bonds applicable to that Challenged Claim; and
- (iii) if applicable, either:
 - (1) with respect to a Challenged Claim which has been finally recognised as a Determined Claim (pursuant to a final, non-appealable court order or settlement agreement agreed by the Extraordinary Administrator), an amount of any Reallocated Bonds previously allocated to the Challenging Creditor in respect of that Challenged Claim pursuant to Condition 7.3 (*Reallocated Bonds*) equal to the product of (1) the Principal Amount Outstanding of such Reallocated Bonds and (2) the ratio, expressed as a percentage, that (x) the amount of that part of the Challenged Claim which has not been finally recognised as a Determined Claim bears to (y) the total amount of the Challenged Claim (immediately before the other part of the Challenged Claim was finally recognised as a Determined Claim); or
 - (2) with respect to a Challenged Claim which has been irrevocably dismissed in full (pursuant to a final, non-appealable court order or settlement agreement agreed by the Extraordinary Administrator), the Reallocated Bonds previously allocated to the Challenging Creditor in respect of that Challenged Claim pursuant to Condition 7.3 (*Reallocated Bonds*).
- (d) For the avoidance of doubt, any allocation of Reallocated Bonds in relation to a Claim in accordance with Condition 7.3 (*Reallocated Bonds*) shall be rounded down to the nearest €.

7.5 No Liability

The Trustee and each of the Agents and the Custodians shall be entitled to rely on any notice, certificate or other communication sent by or on behalf of the Issuer, without any liability to any person for so doing, in relation to any instructions given by or on behalf of the Issuer as contemplated in this Condition 7 (*Cancellation*) and shall be under no duty to conduct any investigation as to the veracity of any instructions provided to it by or on behalf of the Issuer.

8. INTEREST

8.1 Interest Period

The period over which interest shall accrue on the Bonds shall be divided into successive periods (each an "**Interest Period**"), the first of which shall commence on the Issue Date (or, in the case of a Further Bond, the date on which it is issued) and shall end on (and include) 2 January 2020 (the "**First Interest Period**"). Each subsequent Interest Period shall commence on (but exclude) the last day of the immediately preceding Interest Period and end on (and

include) the earlier to occur of (a) the next occurring anniversary of the Issue Date, and (b) the Final Maturity Date.

8.2 Interest Accrual

Interest shall accrue on the Principal Amount Outstanding of each Bond or Bond Interests under that Bond at the Fixed Rate, and, in respect of each Interest Period, on the basis of the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).

8.3 Capitalisation

On each Capitalisation Date, the interest accrued on the Principal Amount Outstanding of each Bond or Bond Interest under that Bond during the Interest Period then ended (each such interest amount being the "**PIK Amount**" in respect of that Interest Period and the applicable Bond or Bond Interest) shall be capitalised automatically, without requiring any further action by the Issuer, by adding an amount equal to that PIK Amount to the Principal Amount Outstanding of that Bond or Bond Interest as at the start of business on that Capitalisation Date.

8.4 Payment of Cash Interest on Redemption

If the Bonds are redeemed in whole or in part on any day other than the last day of an Interest Period, the Issuer shall pay to each Bondholder, on the applicable redemption date, an amount in cash equal to all interest accrued and unpaid on the aggregate Principal Amount Outstanding of the Bonds or Bond Interests held by that Bondholder (to the extent such interest has not previously been capitalised pursuant to Condition 8.3 (*Capitalisation*)).

8.5 Early Conversion

If the Bonds are converted in accordance with Condition 6 (*Conversion*) on or prior to 1 January 2020 (the "**Early Conversion Date**"), the Issuer may elect, at its sole discretion, upon providing at least 10 Business Days' notice to the Trustee, the Agents and the Bondholders in accordance with Condition 16 (*Notices*):

- (a) to be released and discharged absolutely in full from all accrued and unpaid interest on the aggregate Principal Amount Outstanding of the Bonds or Bond Interests during that Interest Period up to and including the Early Conversion Date (the aggregate amount of all such accrued and unpaid interest being the "**Early Conversion Date Interest Amount**"); or
- (b) on the Early Conversion Date, (i) to capitalise the Early Conversion Date Interest Amount by adding an amount equal to the *pro rata* portion of the Early Conversion Date Interest Amount to the Principal Amount Outstanding of each Bond or Bond Interest in accordance with Condition 8.3 (*Capitalisation*) (the "**Early Conversion Date Capitalisation**"), and (ii) immediately following the Early Conversion Date Capitalisation (and on the same day as the conversion is effected), convert the additional Principal Amount Outstanding of the Bonds or Bond Interests subject to the Early Conversion Date Capitalisation into Depositary Receipts in accordance with Condition 6 (*Conversion*).

9. PAYMENTS AND REDEMPTION

9.1 Payment of Principal

Each Bond Principal Payment made in respect of the Bonds shall be made to the Bondholders *pro rata* and in immediately available, freely transferable funds, shall constitute a partial redemption of the Bonds equal to the value of such amount repaid, and shall reduce the then applicable aggregate Principal Amount Outstanding of the Bonds and the then applicable Principal Amount Outstanding of each Bond Interest accordingly.

9.2 Restrictions on Redemption while the Supplier Loan Note and the Sberbank Loan Note remain outstanding

No Bond Principal Payment shall be made on the Bonds for so long as any yearly payment amount and/or any interest thereon has been determined to be owing by the Issuer under the Supplier Loan Note or the Sberbank Loan Note, but remains unpaid in whole or in part.

9.3 Optional Redemption

Subject to Condition 9.2 (*Restrictions on Redemption while the Supplier Loan Note and the Sberbank Loan Note remain outstanding*), the Issuer may redeem the Bonds (together with all interest which has accrued but not yet been paid and capitalised pursuant to Condition 8.3 (*Capitalisation*)) in whole or in part at any time at their then applicable aggregate Principal Amount Outstanding, without premium or penalty, upon providing at least 10 Business Days' notice to the Trustee, the Agents and the Bondholders in accordance with Condition 16 (*Notices*).

9.4 Final Maturity Date

Unless previously redeemed in full, or converted in accordance with Condition 6 (*Conversion*), and subject to Condition 9.2 (*Restrictions on Redemption while the Supplier Loan Note and the Sberbank Loan Note remain outstanding*), each Bond shall be redeemed in full at its then applicable Principal Amount Outstanding on the Final Maturity Date.

9.5 Record Date

- (a) Payments of principal and any Cash-Pay Interest payable in respect of the Bonds in accordance with Condition 8 (*Interest*) and 9 (*Payments and Redemptions*) will be made to the persons shown in the CB Register at the close of business on the applicable Record Date.
- (b) "**Record Date**" means, in respect of any payment of principal or interest in respect of the Bonds, the seventh (7th) Business Day in London, before the due date for the relevant payment.

9.6 Payments

Each payment in respect of the Bonds pursuant to this Condition 9 shall be made in euro by transfer to a euro-denominated account maintained by the payee, details of which appear on the CB Register at the close of business on the relevant Record Date. Payment instructions (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) or, in the case of a payment of principal made in respect of a Certificate, if later, on the Business Day on which the relevant Certificate is surrendered at the Specified Office of the Principal Paying, Transfer and Conversion Agent or the CB Registrar

on a day on which the Paying Transfer and Conversion Agent is open for business and which is a TARGET 2 Day. Each payment made to a Bondholder in respect of its Bond Interests shall constitute an automatic discharge, *pro tanto*, of any obligation to make a payment to the CB Custodian in respect of the Bonds.

9.7 **Original capital repaid first**

If any redemption or repayment in part of the Principal Amount Outstanding of a Bond or Bond Interest is to be made, the Issuer will redeem first, that portion of the Principal Amount Outstanding as was outstanding immediately after issuance of the Bond or Bond Interest on the Issue Date (or, in the case of any Further Bond or Further Bond Interests, on the date on which such Further Bond or Further Bond Interest was issued) (the "**Initial Principal Amount**"). Following the redemption or repayment in full of the Initial Principal Amount, any redemption or repayment in whole or in part of the remaining Principal Amount Outstanding of a Bond or Bond Interest shall be deemed to be a repayment of principal arising from the capitalisation of interest pursuant to Condition 8 (*Interest*).

9.8 **Payments subject to fiscal laws**

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to Condition 10 (*Taxation*). No commissions or expenses shall be charged to Bondholders in respect of such payments.

9.9 **Partial Payments**

If an amount which is due on the Bonds is not paid in full, the CB Registrar will annotate the Register with a record of the amount (if any) in fact paid.

9.10 **Delay in payment**

Bondholders will not be entitled to any interest or other payment on the Bonds or the Bond Interests for any delay after the due date in receiving the amount due as a result of the due date not being a Business Day.

9.11 **No charges**

Except as provided in the Transfer Regulations, the Issuer shall not make or impose on a Bondholder any charge or commission in relation to any payment, exchange, transfer or conversion in respect of the Bonds.

9.12 **Fractions**

When making payments on the Bonds or the Bond Interests to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

9.13 **Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition 9 will be given in accordance with Condition 16 (*Notices*) and will specify (i) the applicable redemption amount and accrued Cash-Pay Interest payable (if any), (ii) the date for redemption and (iii) the aggregate Principal Amount Outstanding of the Bonds or Bond Interests as at the latest practicable date prior to the publication of the notice. If more than one notice of redemption is given, the first of such notices to be given shall prevail.

10. TAXATION

10.1 Withholding

If any amount is required by law to be deducted or withheld from any payment on any Bond to any Bondholder, such amount shall reduce the amount otherwise distributable to such Bondholder. Each of the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and the CB Custodian is authorised to withhold or deduct from amounts otherwise distributable to any Bondholder, sufficient funds for the payment of any tax that is legally required to be withheld or deducted by it (but such authorisation shall not prevent (or obligate) the Trustee, the Principal Paying, Transfer and Conversion Agent or the CB Custodian from contesting any such tax in appropriate proceedings and legally withholding payment of such tax, pending the outcome of such proceedings). The amount of any withholding tax imposed with respect to any Bondholder shall be treated as principal paid to such Bondholder pursuant to Condition 9 (*Payments and Redemption*) at the time it is deducted or withheld by the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent or the CB Custodian, as applicable and remitted to the appropriate taxing authority.

10.2 No Gross Up

None of the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and the CB Custodian shall be obliged to pay any additional amounts to the Bondholders as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges.

10.3 FATCA Information

Each Bondholder agrees that it will from time to time with reasonable promptness duly complete and deliver to, or otherwise provide as reasonably directed by, the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian, such information and/or documentation prescribed by applicable law or otherwise reasonably requested by the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian as is necessary (i) to establish such Bondholder's status under FATCA, (ii) for the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian (as applicable) to comply with its obligations under FATCA, (iii) for the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian (as applicable) to determine, if appropriate, that such Bondholder has complied with such Bondholder's obligations under FATCA, and/or (iv) for the Issuer to determine the amount (if any) to deduct and withhold from any such payment made to such Bondholder. Nothing in this paragraph shall require any Bondholder to provide information that is confidential or proprietary to such Bondholder unless such information is prescribed by applicable law for the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian to comply with its obligations under FATCA, and, in such event, Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and/or the CB Custodian (as applicable) shall treat such information as confidential.

11. EVENTS OF DEFAULT

The Trustee, in accordance with and subject to the provisions of the Trust Deed, shall if so requested in writing by the holders of at least twenty five (25) per cent. in aggregate Principal Amount Outstanding of the Bonds or if it shall have been so directed by an Extraordinary Resolution of the Bondholders (but not otherwise and, in each case, subject to being indemnified and/or prefunded and/or provided with security to its satisfaction), give notice in

writing to the Issuer (each such notice being a "**Bond Enforcement Notice**") that the Bonds are, and they shall accordingly thereby immediately become, due and repayable at their principal amount, if any of the following events (each an "**Event of Default**") shall have occurred and be continuing:

- (a) the Issuer (i) files, or consents by answer or otherwise to the filing against it, of a petition for suspension of payments or relief or reorganisation (other than a reorganisation approved by the holders of the Depositary Receipts in accordance with the Administrative Conditions) or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganisation (other than a reorganisation approved by holders of the Depositary Receipts), moratorium or other similar law of any jurisdiction, (ii) is adjudicated as insolvent or to be liquidated, (iii) takes corporate action for the purpose of any of the foregoing, or (iv) becomes subject to winding-up procedures, or any analogous procedure or step is taken in any jurisdiction; or
- (b) one calendar month has elapsed since the Management Board of the Issuer notified the Bondholders in accordance with Condition 16 (*Notices*) that they have reasonable grounds to believe that funding sufficient for the ongoing administrative costs of the Issuer and the STAK will not become available, and that notice has not been revoked.

12. ENFORCEMENT

At any time after a Bond Enforcement Notice has been issued in accordance with Condition 11 (*Events of Default*), the Trustee may, in accordance with and subject to the provisions of the Trust Deed, issue such proceedings against the Issuer as it may think fit to enforce the terms of the Bonds and the Trust Deed, but it will not issue any such proceedings unless (i) it shall have been so instructed in writing by the holders of at least twenty five (25) per cent. in aggregate Principal Amount Outstanding of the Bonds or shall have been so directed by an Extraordinary Resolution of the Bondholders, and (ii) it shall have been indemnified and/ or prefunded and/or provided with security to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

13. PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within ten (10) years from the appropriate Relevant Date in respect of such payment and thereafter any payments of principal, Cash-Pay Interest or other amounts payable in respect of such Bonds shall be forfeited and revert to the Issuer.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within ten (10) years following the due date for payment thereof.

14. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the CB Registrar subject to all applicable laws, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the CB Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. MEETINGS OF BONDHOLDERS

Meetings of Bondholders will be regulated in accordance with Schedule 5 (*Provisions for Meetings of Bondholders*) to the Trust Deed. Notwithstanding any provision of these Conditions or the Trust Deed, any matter determined or resolved on by the holders of the Depository Receipts under and in accordance with the Administrative Conditions (such resolution, a "**DR Resolution**") shall be binding on the Bondholders in their capacity as Bondholders, and the Bondholders shall not be entitled to pass any resolution that is contrary to or inconsistent with a DR Resolution.

16. NOTICES

All notices regarding the Bonds (including any Conversion Notice and any notice convening or relating to a meeting of Bondholders) will be valid if it is in the English language and is sent to the Trustee and to each Bondholder at the address of the relevant Bondholder as specified in the CB Register or if published on the Investors' Website. Any such notice published on the Investors' Website shall be deemed to have been delivered on the date of such publication, or if published on the Investors' Website more than once or on different dates, on the first date on which publication is made. The Issuer shall, following the publication of any notice on the Investors' Website, promptly provide the Trustee and each Bondholder with a copy of the notice by email. The failure of one or more of the notices dispatched in accordance with the stipulations set out in this Condition 16 to reach the destination shall not affect the validity of the meeting or the resolutions adopted thereby.

17. AGENTS

The names of the initial Principal Paying, Transfer and Conversion Agent and the initial CB Registrar and their Specified Offices are set out in the Paying, Transfer and Conversion Agency Agreement. The Issuer reserves the right, at any time to vary or terminate the appointment of the Principal Paying, Transfer and Conversion Agent and/or the CB Registrar and to appoint additional or other such Agents. The Issuer will at all times maintain a CB Custodian, Principal Paying, Transfer and Conversion Agent and a CB Registrar which will maintain the CB Register outside of the United Kingdom. Notice of any such termination or appointment, of any changes in the Specified Offices of any such Agent and of any change in the identity of the CB Registrar or the Principal Paying, Transfer and Conversion Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) and in any event not less than 45 days' notice will be given.

18. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or pre-funded and/or secured to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer (including any of its Affiliates) without accounting for any profit.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. FURTHER BONDS AND ADDITIONAL BONDS

- 20.1 The Issuer shall be entitled to, and shall, create and issue further Bonds (and Bond Interests deriving from such Bonds) (the "**Further Bonds**" and the "**Further Bond Interests**", respectively) after the Issue Date if:
- (a) at any time during the Put Option Exercise Period, Sberbank of Russia ("**Sberbank**") exercises the Sberbank Put Option with respect to the Put Option Shares (the "**Sberbank Put Option Exercise**"). The aggregate nominal amount of Further Bonds (and Further Bond Interests deriving from such Further Bonds) so created and issued as a result of the Sberbank Put Option Exercise shall equal the aggregate nominal amount of Bond Interests specified as forming part of the "Consideration" for the Put Option Shares. Any such Further Bonds shall be issued to and registered in the CB Register in the name of the CB Custodian, and the Further Bond Interests relating to those Further Bonds shall be registered in the CB Register in the name of Sberbank or, if such registration in the name of Sberbank would result in the Issuer or any other member of the New Group becoming subject to Sanctions, in the name of the Securities Escrow Agent, to be held upon the terms of the Securities Escrow Deed;
 - (b) a Contingent Claim, the debtor of which is a Non-Viable EA Croatian Subsidiary is, in accordance with the terms of the Settlement Plan, required to be settled by way of issuance of Bonds and Depository Receipts (the "**Contingent Claim Settlement**"). The aggregate nominal amount of Further Bonds (and Further Bond Interests deriving from such Further Bonds) so created and issued as a result of the Contingent Claim Settlement shall be an amount up to the Settlement Recovery determined in respect of that Contingent Claim in accordance with the methodology for the issuance of New Instruments provided for in the Settlement Plan. Any such Further Bonds shall be issued to and registered in the CB Register in the name of the CB Custodian and the Further Bond Interests relating to those Further Bonds shall be registered in the name of the relevant Creditor or, if such issuance to that Creditor would result in the Creditor failing to satisfy the Transfer Regulations, in the name of the Securities Escrow Agent, to be held upon the terms of the Securities Escrow Deed; or
 - (c) it is required to issue Bonds pursuant to the terms of any management incentive plan which is approved by a DR Resolution (as defined in the Administrative Conditions).
- 20.2 The Further Bonds and Further Bond Interests so issued shall have the same terms and conditions as the Bonds and the Bond Interests in all respects save for their date of issue and the interest accrued thereon (which shall, in the case of each issuance of all such Further Bonds and Further Bond Interests, accrue from the date of their issuance), so that the Further Bonds and the Further Bond Interests shall be consolidated and form a single series with the Bonds and the Bond Interests.
- 20.3 The Issuer shall be entitled to issue additional Bonds (and Bond Interests deriving from such Bonds) (the "**Additional Bonds**" and the "**Additional Bond Interests**") at any time after the Issue Date provided that each such issuance is authorised by a DR Resolution (as defined in the Administrative Conditions) passed in accordance with all relevant requirements of the Administrative Conditions.
- 20.4 Any Additional Bonds and Additional Bond Interests so issued shall have such terms and conditions as the Issuer may determine, provided that such terms and conditions comply with the DR Resolution authorising the Issuer to issue such Additional Bonds and Bond Interests.
- 20.5 The Issuer shall enter into such agreements, deeds and documents, and shall provide such certificates and legal opinions as the Trustee or any Agent may reasonably request, in order to effect the creation and issuance of Further Bonds and Additional Bonds (and Further Bond

Interests and Additional Bond Interests) including, without limitation, entering into a deed or deeds supplemental to the Trust Deed in order to constitute each issuance of Further Bonds or Additional Bonds (and Further Bond Interests and Additional Bond Interests).

21. RESTRICTIONS ON ACTIONS

Each Bondholder acknowledges that (a) it may not itself take any steps, actions or proceedings against the Issuer under the Bonds, as specified in the Trust Deed; and (b) the Trustee has agreed and acknowledged, pursuant to Clause 21 of the Trust Deed, that it will not take any step, action or proceeding against the Issuer under the Trust Deed or these Conditions, or any other Transaction Document or otherwise, which would result in the Issuer being or becoming insolvent, unless directed so to do by an Extraordinary Resolution.

22. GOVERNING LAW AND JURISDICTION

22.1 Governing law

The Bonds and any non-contractual obligations arising out of or in connection therewith (except for Condition 6 (*Conversion*) and any non-contractual obligations arising out of or in connection therewith, which is governed by, and shall be construed in accordance with, Dutch law) are governed by, and shall be construed in accordance with, English law.

22.2 Jurisdiction

The courts of England shall have non-exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any dispute, which may arise out of or in connection with these Conditions (except for any dispute arising out of or in connection with Condition 6 (*Conversion*) of the Bonds, which shall be settled by the competent court in Amsterdam, the Netherlands) and for such purposes, irrevocably submits to the non-exclusive jurisdiction of such courts.

22.3 Agent for Service of Process

The Issuer hereby irrevocably appoints TMF Global Services (UK) Limited at its registered office for the time being, currently at 5th Floor, 6 Andrew Street, London EC4A 3AE, as its agent in England to receive service of process in any Proceedings in England. Nothing herein shall affect the right to serve process in any other manner permitted by law.