

# MADISON PACIFIC

8 June 2017

Our ref: MPTL/DN/JHKT100000-17099

Agrokor d.d.  
Trg Drazena Petrovica 3  
Zagreb, Croatia

Attn: The Directors

Dear Sir / Madam

## **Engagement Letter – Facility Agent and Security Agent**

Thank you for considering Madison Pacific Trust Limited (“**Madison Pacific**”) for the roles of Facility Agent and Security Agent in respect of the financing facilities and arrangements contemplated by Project Aisle to be undertaken by the Agrokor Group companies (the “**Group**”).

This letter is the Fee Letter referred to in Clauses 11.2 and 11.3 of the facilities agreement being entered into in relation to Project Aisle.

For the purposes of this letter, “you” and “your” means the Group.

### **Scope of Work**

Our scope of work comprises acting as the Facility Agent and Security Agent under Project Aisle (the “**Engagement**”).

### **Fees**

Based on the information we have received so far, our fees for the Engagement will be as stated below. We have assumed for these purposes that the deal duration is no more than 15 months and on this basis a single fee will be payable for the entire 15 month period for each role (each an “**Fee**” and collectively the “**Fees**”). If deal duration exceeds 15 months, additional fees will be payable. We have also assumed that the security package will consist of no more than three jurisdictions and twelve security documents. To the extent local custodians or agents may be required for security, such third party fees will be additionally billed to the Group. We have also assumed that there will be three escrow accounts and our fees for the Facility Agent in this regard are based on no more than four “tranches” or lender drawdowns being effected.

### Facility Agent

Annual (Total) Fee: EUR 67,000

New lender accession or transfer fee: EUR 3,000 per lender

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## Security Agent

Annual (Total) Fee: EUR 71,000

The Fees are payable on or prior to the execution of documents in relation to the Engagement. In the event that the transaction duration exceeds the 15 month period, subsequent fees shall be payable monthly in advance on a rolling monthly basis as below.

## Facility Agent

Monthly Fee: EUR 2,000

New lender accession or transfer fee: EUR 3,000 per lender

## Security Agent

Monthly Fee: EUR 1,000

Our fees do not include external counsel fees or out-of-pocket payments to third parties including, but not limited to, legal counsel fees, custody fees, bank fees, transaction charges, filing fees, stamp duty, travel, notarial or legalisation expenses or travel expense. As you have approved, we have engaged a segregated team at Hogan Lovells to assist us with legal documentation and advice and their fees will be separately billed to you.

Where significant or unusual additional work and non-administration related matters may be required that were not contemplated at the time of Engagement (such as work in relation to and/or in contemplation of default, special actions, consents, waivers, etc.), additional time-based charges will apply at our standard hourly charge out rates. These rates are set forth in the attached Appendix A.

Any payments of fees or expenses are to be grossed up for any onshore taxes, if applicable, such that we actually receive the amounts specified in our invoices.

## **Expenses**

Our invoices will include claims for the reimbursement of payments made to third parties in respect of this Engagement. The expenses incurred will depend upon the type of work we are carrying out. They may include bank charges for remittances, Business Registry fees, Land and Buildings Registry fees, Notary fees, photocopying of large quantity of documents, international telephone calls and faxes, messenger services, postage, stamp duty, translation fees, etc. We will obtain your prior approval before incurring liability for expenses in excess of USD 5,000 if these expenses are incurred prior to any default. Documentation of any expenses incurred will be attached to our invoices for your review.

## **Billing**

We will issue an invoice for the Fees upon the execution of documents in relation to the Engagement and for our time-based charges and expenses, if any, at the end of each quarter during the term of our Engagement. We will issue invoices for subsequent monthly fees on a rolling basis in advance of each month. Our invoices will be addressed to you or such other entity as may be stipulated by you from time to time and are due on receipt. If we have funds on account, we may apply some or all of those funds against amounts due.



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Our invoices will include claims for the reimbursement of payments made to third parties on your behalf or for your benefit.

Our invoices will be payable within thirty (30) calendar days of the date of issue. If the invoice is not paid within thirty (30) calendar days of the date of issue, the amount due will incur interest at a rate of 0.6 percent (0.60%) per month commencing sixty (60) calendar days after the date of issue of the invoice until paid in full. If you have a query about the invoice you should immediately contact the person handling the matter.

## **Conflict of Interest**

Based on the information available, we confirm that we do not have any conflict of interest in acting for you on this Engagement. Should we become aware of any potential conflict, we will notify you immediately.

## **Additional Terms of Engagement**

The enclosed Terms of Business form part of the terms and conditions of the Engagement. If any of the terms set out in this letter or any provisions set out in any transactional documentation to be agreed and executed by us conflict with those contained in our enclosed Terms of Business, then the following shall prevail (in order of priority): (1) the provisions of the transactional documentation; (2) terms set out in this letter, and (3) the enclosed Terms of Business.

## **Termination**

Termination of our Engagement with you will be governed in accordance with the enclosed Terms of Business with the provisions set out in any transactional documentation to be agreed and executed by us. In the case of any conflict between the enclosed Terms of Business and express terms as set out in any such transactional documentation, the latter will prevail. Notwithstanding anything to the contrary contained herein, the Group shall not be responsible for any fees or expenses incurred after termination in the case of annual or monthly fees following such termination provided that all expenses incurred before or after termination remain payable in the case of termination after any event of default.

## **Confidentiality**

We agree that all information, in particular that information which is not publicly available, which is received by us from the Group in connection with the Engagement will be treated confidentially by us in all respects.

## **Severability**

If one or more provisions of this Engagement Letter are found invalid or void it shall not affect the overall validity of the Engagement Letter. The invalid or void provision shall be replaced by such legally permissible provision which most closely resembles the intention of the parties at the time of the execution of this Agreement.

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## General

If you would like to discuss any of the above or require any clarification, please contact David Naphtali (phone: +852 2599 9598, email: [dnaphtali@madisonpac.com](mailto:dnaphtali@madisonpac.com)) or Donna Duke (phone: +44 (0) 20 7947 4953, email: [dduke@madisonpac.com](mailto:dduke@madisonpac.com)).


Unless otherwise agreed, the provisions set out in this letter as well as in the enclosed Terms of Business apply to any future instructions which you give us.

Please confirm your acceptance of the terms of the Engagement set out in this letter and the enclosed Terms of Business by countersigning this letter and returning to us.

Yours faithfully

*For and on behalf of*

**Madison Pacific Trust Limited**



Name: Jonathan Hatch  
Managing Director

Agreed and accepted by:

**Agrokor d.d.**



Authorised Representative  
Name:

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## Appendix A

Set out below are our hourly charge out rates for this matter.

We may change our standard fees/charges from time to time. We will advise you of this by giving you notice of the changes within a reasonable time before the increase/decrease takes effect.

<b>Madison Pacific</b>	<b>US\$/hour</b>
Managing Director	850
Director	770
Associate Director	575
Manager	500
Senior Associate	410
Associate	350
Analyst/Paralegal	275