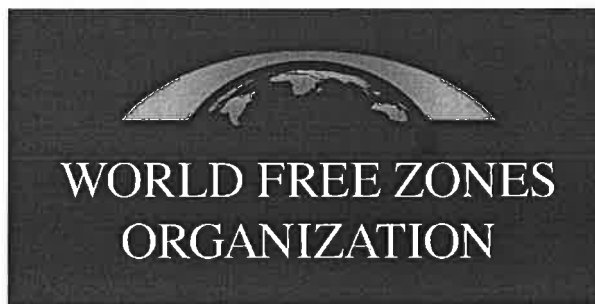


**FREE ZONE PIROT**  
(as Regional Office)

- and -

**WORLD FREE ZONES ORGANIZATION**

## REGIONAL OFFICE AGREEMENT



World Free Zones Organization  
1090, 1<sup>st</sup> Floor, 7WB, Dubai Airport Free Zone, PO Box No. 371113, Dubai, UAE

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**Between:**

- (1) **Free Zone Pirot**, Serbia, with registration number 17108522, VAT RS100185123, whose registered address is Nikole Pašića bb, 18300 Pirot, Serbia (fax number: +38110304072) (the "**Regional Office**"); and
- (2) **World Free Zones Organization**, a non-profit association registered in the commercial registry of Geneva, with registration number CHE-229.126.137 and whose registered domicile is c/o Brown&Page, 37-39, rue de Vermont, 1202, Geneva, Switzerland with its head office in the Dubai Airport Free Zone with a registered address at PO Box 371113, Dubai, United Arab Emirates ("**WFZO**").

**BACKGROUND:**

- (A) WFTZO is a non-profit organization established with purpose to improve the free zone regime activities and to develop and strengthen the network and collaboration between different free zone regimes worldwide;
- (B) Regional Office is a company with main business activity of management of free zone regime activities in region of Pirot, Republic of Serbia, and is recognized as major free zone company in Republic of Serbia;
- (C) WFTZO wishes to establish cooperation in respect to promotion WFTZO including its policies in the region South East Europe, thus is willing to appoint Regional Office as its representative for the region and Regional Office is willing to accept this appointment and will provide representation services in South East Europe for WFZO, which representation shall be provided based on this Agreement;
- (B) The parties have agreed that the Regional Office will perform some activities as closely described in this Agreement.

**OPERATIVE TERMS:****1. INTERPRETATION****1.1 In this Agreement:**

**"Applicable Laws"** means all regional, national and international laws, rules, regulations and standards including those imposed by any governmental or regulatory authority and all applicable industry standards and standards determined by any self-regulatory body which apply from time to time to the person or activity in the circumstances in question;

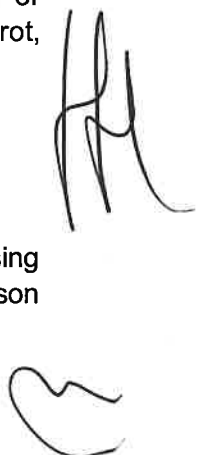
**"Bid"** means the complete set of documents submitted by the Regional Office in response to the bid invitations issued by WFZO;

**"Business Day"** means a day (except a day which is declared as nonworking day or declared as public holiday) on which banks in Dubai, United Arab Emirates and in Pirot, Republic of Serbia are open for business;

**"Commencement Date"** means the date of this Agreement;

**"Completion Date"** means 36 calendar months from the Commencement Date;

**"Good Practice"** means exercising the same skill, expertise and judgement and using facilities and resources of a similar or superior quality as might be expected from a person who:



- (a) is skilled and experienced in providing the activities from Schedule 1; and
- (b) takes all proper and reasonable care and is diligent in performing his obligations;

**"Intellectual Property"** means all intellectual property rights in any part of the world including patents (including supplementary protection certificates), registered and unregistered trade and service marks, rights in business and trade names and get-up, rights in domain names, registered designs, copyrights and neighbouring rights, database rights, rights in confidential information and know-how and (in each case) rights of a similar or corresponding character and in all applications and rights to apply for protection of any of the foregoing;

**"Losses"** means only the direct losses, claims, liabilities, costs, charges, expenses and damages of any kind irrespective of whether they were reasonably foreseeable or avoidable.;

**"Proper Standard"** means a standard of the Activities:

- (a) which is provided in Good Practice;
- (b) which complies with Applicable Laws;
- (c) fit for the purpose for which the WFZO requires the Activities in all material respects; and
- (d) reviewed and approved for acceptance by the Chief Executive Officer or a Director of the WFZO;

**"Project"** means the regional office project of WFZO, comprising the Activities;

**"Region"** means South East Europe (SEE) or any other countries as mutually agreed wherein the Regional Office will support WFZO;

**"Activities"** means the activities set out in the Schedule 1 as varied from time to time under this Agreement;

**"Third Party"** means a person who is not a party to this Agreement; and

**"WFZO Conference"** means the annual conference and exhibition of the WFZO held annually during the months of April or May.

1.2 In this Agreement unless expressed to the contrary or the context otherwise requires:

- (a) references to this Agreement include references to this Agreement as validly varied from time to time;
- (b) references to any party include (where applicable) its lawful successors, permitted assigns and transferees;
- (c) references to a "person" include references to any natural person and to any corporate or other bodies that have a legal personality; and
- (d) headings are inserted for convenience only and must be ignored in construing this Agreement.

## 2. TERM

2.1 This Agreement takes effect on and from the Commencement Date and shall terminate on the Completion Date, subject to earlier termination under clause 7.



2.2 This Agreement may be renewed on such terms and conditions as agreed between the parties.

### 3. REGIONAL OFFICE'S OBLIGATIONS

3.1 By this Agreement WFZO empowers the Regional Office to perform all representation activities in the name and on behalf of the WFZO. Regional office is also authorized to use all WFZO's official name, logo and other material and tools of representation.

3.2 The Regional Office shall perform the Activities in the region the Region from the Commencement Date and for the duration of this Agreement to a Proper Standard and in accordance with the Bid.

3.3 The Regional Office shall indemnify and keep WFZO fully indemnified against all Losses incurred or suffered by WFZO as a result of or in connection with any breach of this Agreement by the Regional Office, and that were incurred for the WFZO on the basis of the Regional Office's action, contrary to the WFZO orders.

3.4 The Regional Office warrants and represents that it has the right to perform the the Activities.

3.5 All Intellectual Property and other rights subsisting or capable of subsisting in the Project shall belong to WFZO and the Regional Office shall (at WFZO's request) promptly execute all documents and attend to all matters that WFZO believes are necessary in order for it to acquire, enforce or deal with the rights in question.

3.6 All costs and expenses for providing the Activities shall be the responsibility of the Regional Office.

### 4. WFZO'S OBLIGATIONS

4.1 WFZO shall provide the Regional Office with all WFZO internal data or information required to enable the Regional Office to perform the Activities.

4.2 One free registration for the WFZO Conference will be provided to the nominated representative of the Regional Office.

4.3 One free registration for the all events in which organizes WFZO will be provided to the nominated representative of the Regional Office.

4.4 WFZO shall provide to the Free Zone Pilot all their services free of charge.

4.5 WFZO shall share in half the revenue obtained from Regional Office activities to be used to sustain the Regional office.

### 5. DISPUTE RESOLUTION

5.1 Any dispute arising out of or in connection with this Agreement and the matters contemplated therein, including any question regarding its existence, validity or termination, shall first be settled amicably between the parties.

All disputes arising out of or in connection with the present Sales Terms shall be finally settled by arbitration organized in accordance with the Rules of the Belgrade Arbitration Center (Belgrade Rules) between three arbitrators. Place of Arbitration shall be Belgrade, Serbia and language of arbitral proceeding shall be English. The applicable substantive law shall be Serbian law.

**6. CONFIDENTIALITY**

6.1 No party may, unless permitted by clause 6.2 or required by Applicable Laws (and in any case only to the extent required), at any time after the Commencement Date divulge any information in relation to this Agreement.

6.2. A party may disclose information if:

- (a) the other party has given its prior written consent;
- (b) it can show that the information was already, or has subsequently become, published or publicly available for use other than because of a breach of this Agreement or of any confidentiality obligation owed by that party to the other party;
- (c) it is disclosed on a confidential basis to its professional advisers for advising that party in connection with this Agreement and the advisers have first agreed to act in compliance with the confidentiality requirements of this Agreement as if they were a party to it; or
- (d) if it is disclosed on a confidential basis to that party's officers, employees or agents who are engaged in the performance of that party's duties under this Agreement and the person(s) to whom the information is to be disclosed have first agreed to act in compliance with the confidentiality requirements of this Agreement as if they were a party to it.

6.3. The obligations of this clause 6 shall survive the termination of this Agreement.

**7. TERMINATION**

7.1. Without prejudice to its other rights and remedies, WFZO may terminate this Agreement by giving the Regional Office immediate written notice if:

- the Regional Office breaches a material provision of this Agreement that is either not capable of being remedied or (if it is capable of being remedied) has not been remedied within 14 Business Days of the Regional Office receiving a written notice from WFZO relating to the breach and requiring it to be remedied;

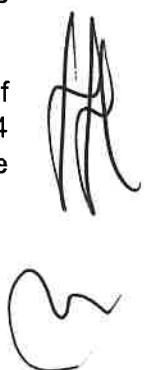
- the Regional Office is unable to pay its debts as and when they fall due; or

- any step or proceeding is taken, any application, order, resolution or appointment is made, or any notice given, by or in respect of the Regional Office in relation to the whole or any part of its undertaking for a distress, execution, the suspension of payments, a moratorium of any indebtedness, a composition, assignment or arrangement with creditors, winding-up, dissolution, administration, receivership (administrative or otherwise), or bankruptcy, in any jurisdiction to which it is subject (including, without limitation, the one in which the Regional Office is incorporated) that has an effect similar or equivalent to any of the events mentioned in this clause .

7.2 Without prejudice to its other rights and remedies, Regional office may terminate this Agreement by giving the WFZO immediate written notice if:

- the WFZO breaches a material provision of this Agreement that is either not capable of being remedied or (if it is capable of being remedied) has not been remedied within 14 Business Days of the WFZO receiving a written notice from Regional Office relating to the breach and requiring it to be remedied;

- the WFZO is unable to pay its debts as and when they fall due; or

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- any step or proceeding is taken, any application, order, resolution or appointment is made, or any notice given, by or in respect of the WFZO in relation to the whole or any part of its undertaking for a distress, execution, the suspension of payments, a moratorium of any indebtedness, a composition, assignment or arrangement with creditors, winding-up, dissolution, administration, receivership (administrative or otherwise), or bankruptcy, in any jurisdiction to which it is subject (including, without limitation, the one in which the WFZO is incorporated) that has an effect similar or equivalent to any of the events mentioned in this clause.

7.3. Parties hereby agree that either party may terminate this Agreement with prior written notice of 90 days

## 8. CONSEQUENCES OF TERMINATION

Termination of this Agreement does not affect the accrued rights and liabilities of the parties or the enforceability of clauses 5 or 6, or any other provisions of this Agreement that are intended to remain in force after its termination.

## 9. NOTICES

9.1. All notices served under this Agreement must be in writing and in the English language.

9.2. Notices must be delivered personally or sent by prepaid recorded post or by fax to the address or fax number (as the case may be) of the recipient set out in this Agreement or to any alternative address for service or fax number that has been notified by the recipient party for that purpose.

9.3. Any notice that is served under clause 9.2 is deemed to be received:

- (a) upon receipt, in the case of deliveries by hand during business hours or by prepaid recorded post; and
- (b) upon receipt of a transmission slip confirming receipt, when sent by fax.

9.4. No email notices may be served under this Agreement.

## 10. ASSIGNMENT

The Regional Office must not assign, novate, licence or otherwise transfer any of its rights, obligations or liabilities under or in connection with this Agreement without the WFZO's prior written consent.

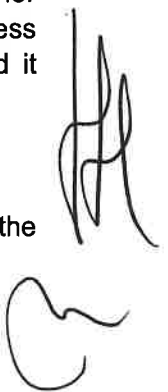
## 11. NO PARTNERSHIP OR AGENCY

Nothing in this Agreement establishes a partnership, a joint venture, or the relationship of principal and agent between the parties and neither party has authority or power to bind the other in any way.

Everything in this Agreement should be interpreted so that the Regional Office is the regional representative of the WFZO, who acts in the name of another person and for another person's account, therewith the rights and obligations apply to the WFZO, unless the WFZO explicitly transfers the rights and obligations to the Regional Office, and it explicitly accepts this.

## 12. COSTS AND EXPENSES

Each party must bear its own legal and other costs and expenses in relation to the negotiation, preparation, execution and implementation of this Agreement.

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## SCHEDULE 1

### THE SPECIFICATION OF ACTIVITIES

The Services shall comprise:

1. support WFZO in networking and promotion of the free zone community in the Region;
2. support WFZO in data and statistics compilation of free zones of the Region, its legislation and any other relevant information;
3. support in membership recruitment by providing list(s) of potential members in the Region and coordinating the membership recruitment process;
4. the Regional Office will use all available means of communication to represent and promote WFZO throughout the Region; and
5. the Regional Office will have one physical office space, staffed by at least one employee, dedicated to providing the above services.

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**13. WAIVER**

Any delay or waiver by any party in exercising its rights under this Agreement does not limit or restrict the future exercise or enforceability of those rights.

**14. ENTIRE AGREEMENT AND VARIATION OF TERMS**

14.1. This Agreement contains the entire agreement and understanding of the parties and it supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Agreement.

14.2. Nothing in this Agreement excludes or restricts a party's rights, remedies or liability under the law governing this Agreement regarding fraud or any misrepresentations made by or on behalf of the other.

14.3. No variation of this Agreement is valid unless it is in writing and it is signed by or on behalf of each of the parties.

**15. THIRD PARTIES**

None of the provisions of this Agreement are intended to confer a benefit on or be enforceable by any Third Parties.

**16. NO SOLICITATION**

Neither during the term of this Agreement nor at any time after its expiry or termination, shall the Regional Office, directly or indirectly, approach, solicit, entice or attempt to approach, solicit or entice anyone of the employees of WFZO.

**17. GOVERNING LAW AND JURISDICTION**

This Agreement is governed by and constructed in accordance with Serbian law excluding any conflict of laws rules and excluding the Convention on the Limitation Period in the International Sale of Goods (New York, 1974) and United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG).

**SIGNED** by or on behalf of the parties:

**SIGNED BY DR DRAGAN KOSTIĆ  
FOR AND ON BEHALF OF  
FREE ZONE PIROT**

**SIGNED BY DR SAMIR HAMROUNI  
FOR AND ON BEHALF OF  
WORLD FREE ZONES ORGANIZATION**

