

LEASE AGREEMENT

between

DAN DIUR INTERNATIONAL Ltd,
PRIVATE PERSON TAKHIR ARVELADZE
and
ITALIAN EMBASSY in GEORGIA

ART. 1 : PARTIES

This LEASE (the "Lease") is entered into this 26th day of October, 2011 by director **Dan Diur International Ltd**, legal address: Chitadze Str., #3a, Tbilisi, Georgia, represented by its director: Mr. **Dan Nakhum** and private person Mr. **Takhir Arveladze** (hereinafter together referred to as "the LANDLORD") and **Italian Embassy in Georgia**, represented by the Ambassador of Italy in Georgia Mrs. Federica Favi (hereinafter referred to as "the TENANT").

ART. 2 : DESCRIPTION OF PREMISES

The LANDLORD hereby leases to the TENANT the following described premises, together with their appurtenances :

the first, second and third floors, basement and attic of front-street building at No. 3a Chitadze Street, Tbilisi, Georgia (the "Premises") and the land on which the building is situated including the independent small apartment on the left side of this building and the underground parking area on the back courtyard of the building (the building and the site shall collectively be referred to herein as the "Property").

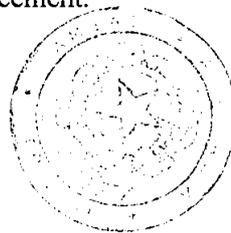
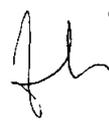
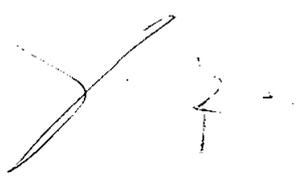
The Property will be used by the TENANT for the Embassy of Italy in Georgia.

ART. 3 : LEASE TERM

The term of this Lease shall be for 3 (three) years, commencing 1st November 2011 ("Commencement Date") and ending on 31st October 2014 (the "Term").

On the expiration of the Term of this Lease Agreement the TENANT shall have an option to renew this for a further term of three years. The rental, to be agreed by the parties, will be evaluated according to market conditions. Any increase of rental shall not exceed the official inflation rate that took place between the commencement date of this agreement and the moment of its renewal.

In the event the TENANT wishes to renew the Agreement after the expiration of the Term of this Agreement, two months before the Agreement termination, it is to inform the LANDLORD in writing in regard of what the parties shall make a new Agreement.



Notwithstanding the provisions given in this Agreement, after expiration of two years as of the Commencement Date and during 30 days period the LANDLORD enjoys the right to request the revision of prices subject to the inflation rates and changes in economic indicators.

ART. 4 : RENTAL PAYMENT

The TENANT shall pay rent to the LANDLORD for the Property provided at the following rate and terms:

- A. 207.165,60 (two hundred seven thousand one hundred sixty five) U.S. Dollars per annum (the "Rent"). The Rent shall be payable annually in advance by the TENANT within fifteen days of the actual Commencement Date. Payment instructions shall be specified by the LANDLORD at least one month before the Commencement Date.
- B. The Rent shall not be inclusive of all costs, without limitation, all utilities including telephone charges, electricity, gas, water, sewer/trash disposal, cleaning services, service charges, common area charges, security, maintenance and repair, emergency maintenance personnel, insurance, parking.

ART. 5 : WARRANTIES

The LANDLORD warrants that he is the sole and lawful owner of the Property and that he is duly authorized, in accordance with the laws of Georgia, to enter into this Lease under the conditions specified in this Lease, is able to perform his obligations, and no further consents or documentation are required from any party to enter into this Lease for the Lease to be legally binding on the LANDLORD. The LANDLORD warrants that there are no liens, no outstanding payments, and no other liabilities on the Property. The LANDLORD also warrants that the TENANT shall and may peaceably enjoy possession of the Property for the Lease Term (and any extension(s) thereof) without any interruption or disturbance from the LANDLORD, or any other person claiming by, from, through or under the LANDLORD.

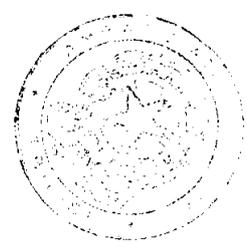
Each party warrants that the person executing this Lease agreement on its behalf is a duly authorized representative of such party, possessing all requisite power and authority to enter into this Lease agreement on behalf of each party. This Lease shall be valid and binding upon the parties when this Lease has been properly executed on behalf of the parties.

ART. 6 : LANDLORD RIGHTS AND RESPONSIBILITIES

- A. RIGHT OF ENTRY. For the purpose of maintaining the Premises, the LANDLORD reserves the right to enter the Premises to inspect and make any-necessary repairs, so long as such entry is at prearranged times, with the consent of the TENANT (which consent shall not be unreasonably withheld) and, at the Tenant's discretion, sense of the

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TENANT employee or designated representative LANDLORD may not, however, gain access to sensitive or secured areas, as determined by TENANT in its sole discretion.

THE LANDLORD UNDERSTANDS THAT NO RANDOM INSPECTIONS ARE ALLOWED.

B. LANDLORD-PROVIDED SERVICES. The LANDLORD shall furnish or otherwise provide to the TENANT during the Lease Term and any extension(s) thereof the following services and utilities: connection to heat, electrical power, gas, water, sewer, trash disposal and telephone service; the cost of using these utilities and services shall be paid by the TENANT. Moreover the LANDLORD will carry out all major maintenance structural work and repair including the maintenance and repair of walls, ceilings, roofs, floors, foundations, water supply system (underground piping), plumbing and related fixtures unless caused by the TENANT's negligence or fault.

ART. 7 : TENANT RIGHTS AND RESPONSIBILITIES

The TENANT shall have the right, during the existence of this Lease, to erect structures, additions and signs, to make alterations, and/or attach fixtures, install security systems, in or upon the Premises hereby leased. Such additions or structures (including security systems) placed in or upon or attached to said Premises shall be and remain the property of the TENANT and, if required by the LANDLORD, shall be removed, at TENANT's expense, at the time of or within a reasonable time after the Lease or any extension thereof expires or is terminated.

The TENANT will carry out at its own expense running repairs and also other repairs to the leased property arising out of or connected with the use of the leased property by the TENANT.

The cost of any improvements carried out by the TENANT which are not of a removable nature shall be reimbursed by the LANDLORD if those improvements have been agreed by the parties in advance.

The TENANT shall, unless specified to the contrary in this Lease, maintain the said Premises in good repair and tenantable condition during the continuance of this Lease, except for reasonable and ordinary wear and tear, damage by the elements, damage by casualty or circumstances over which the TENANT had no control.

The TENANT may, at its expense, install additional pipes, cables, switches, outlets, cabinets, light fixtures, and similar removable items as needed in the Premises. The TENANT agrees to return the Premises to the LANDLORD in the same condition it received it, normal wear and tear and casualty damage excepted.

ART. 8 : ASSIGNMENT AND SUBLEASE

The TENANT may assign its interest in the Property or any portion thereof or sublet the Premises or any portion thereof to any party only with the prior written consent of the

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LANDLORD. The LANDLORD assigns its rights and responsibilities under the Lease to a third party only with the prior written consent of the TENANT.

ART. 9 : TAXES

The LANDLORD shall pay all taxes, assessments and other charges levied or assessed by any government agency on or against the leased properties and shall hold the TENANT harmless against any such taxes or demands.

ART. 10 : DESTRUCTION OF PREMISES

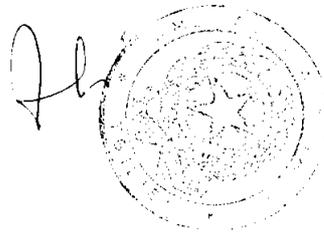
Whenever the Premises or any essential part thereof shall be destroyed or rendered unfit for further tenancy through fire, vandalism, earthquake, flood, storm, war, civil disturbance, or other similar casualty, this Lease shall, at the option of the TENANT, immediately terminate. In case of partial destruction or damage, this lease may be terminated in whole or in part at the Tenant's option. Should the TENANT exercise its option, it shall provide at least twenty days' written notice to the LANDLORD, and no rent shall accrue to the LANDLORD after such termination. If the Lease is terminated in whole or in part, the LANDLORD shall within 10 days of termination refund any advance rental payments in excess of rental liabilities accrued to the date of termination. Should the TENANT elect to remain in the Premises rendered partially untenable, a proportionate rebate or reduction of prevailing rental payments will be allowed and will be reflected in an amendment to this Lease to be signed by both parties within one month after the damage occurs. The costs of rebuilding destroyed parties of the premises, not due to the TENANT, will be in charge to the LANDLORD.

ART. 11 : FORCE MAJEURE

The responsibility provided in this Agreement shall not be imposed in case of Force Majeure. Force Majeure shall mean fire, explosion, natural disasters, war, or any legal act or illegal action of the state authorities. If Force Majeure lasts more than 15 days, the parties shall decide the Agreement's fate; if the parties do not come to an agreement, the dispute shall be resolved through court proceedings.

In case of Force-Majeure-extraordinary circumstances causing the closure of the TENANT's operations, the LANDLORD shall be immediately (within five (5) working days from the occurrence of such event) be notified in writing. The agreement shall be terminated within thirty (30) days time from the notification of the LANDLORD of the occurrence of such an event and no rent shall accrue to the TENANT after such time. The LANDLORD shall refund within 10 days of termination any advance rental payments in excess of rental liabilities accrued to the date of termination.

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ART. 12 : DIPLOMATIC CLAUSE

The Government of Italy decides to close its Embassy in Georgia subject to the TENANT providing the LANDLORD 30 days prior written notice of such termination. In the event of the TENANT giving notice of termination in accordance with this clause, the LANDLORD shall refund within 10 days of termination any advance rental payments in excess of rental liabilities accrued to the date of termination less 3 months rental payment.

ART. 13 : DISPUTES RESOLUTION; GOVERNING LAW AND JURISDICTION

All disputes arising between parties shall be resolved by an agreement. If there is no agreement, the dispute shall be resolved through court proceedings. The governing law of the Agreement shall be the laws of Georgia. All disputes between parties shall be referred to the jurisdiction of Georgian courts.

ART. 14 : FINAL PROVISIONS

This Lease cancels all other agreements which the parties may have previously entered into which relate in any way to the leased Property, and this written agreement constitutes the entire understanding of the parties. Oral discussions and representations made during negotiation of this Lease shall not be construed to be terms of this Lease. Any changes, variations or modifications of the terms of this Lease shall not be valid unless made in writing and signed by both parties hereto..

An invalidation of one of the clauses of this Lease agreement shall not be grounds for invalidation of any other clauses.

This Agreement is executed in English in 3 copies one for one party and one more for the Italian Foreign Minister. Upon the written agreement between parties, the Agreement may be amended.

ART. 15 : NOTICES

All notices required or permitted to be given under this Lease agreement shall be in writing and sent by overnight courier, by certified or registered mail postage prepaid, or by facsimile and delivered to the persons at the addresses set forth below:

If to Tenant : Italian Embassy in Georgia – Chitadze St., n. 3a - Tbilisi

Telephone : 2996418

Fax : 2996415

If to Landlord: Dan Diur International Ltd – Chitadze St., 3a - Tbilisi

Telephone : 2998828

P. J.



Notices will be deemed delivered upon actual receipt. Either party may specify a different address for notice purposes.

IN WITNESS WHEREOF, the parties have affixed their signatures this 26th day of October 2011.

LANDLORD:

DDI Ltd

By: Mr. Dan Nakhum

Title: Director

Takhir Arveladze

TENANT:

Italian Embassy in Georgia

By: Mrs. Federica Favi

Title: Ambassador



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