

Dated

25th August 2015

FACILITY AGREEMENT

Lenders

Asiapac Strategies Limited

Borrowers

Media Gate N.V.

FACILITY AGREEMENT

DATED

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PARTIES

- (1) **Asiapac Strategies Limited** situated at Mill Mall, Suite 6, Wickhams Cay 1, P.O. Box 3085, Road Town, Tortola, British Virgin Islands **'The Lender'**
- (2) **Media Gate N.V.** situated at Wilhelminalaan 13, Curacao **'The Borrower'**

BACKGROUND

The Lenders have agreed to provide financial accommodation to the Borrowers on the terms and conditions of this Agreement.

TERMS OF THIS AGREEMENT

1. DEFINITIONS AND CONSTRUCTION

1.1. In this Agreement, unless the context required otherwise:

'Accommodation' means the aggregate amount of all outstanding moneys owing by the Borrower to the Lender from time to time.

'Business Day' means Monday to Friday (inclusive) and excludes:

- (a) Good Friday, Easter Monday, ANZAC Day, the Sovereign's Birthday, Labour Day, New Zealand Anniversary Day, the Provincial Anniversary Day as observed in the place in which the Borrower is situated and any other statutory holiday observed in the place in which the Borrower is situated; and
- (b) The period commencing on 24 December in any year and ending on 10 January in the following year, both days inclusive.

'Drawdown' means any advance from time to time made or to be made by the Lender under clause 3 of this Agreement at the request of the Borrower.

'Event of Default' any of the vents mentioned in Clause 10.

'Facility' means the loan facility made available by the Lender to the Borrower pursuant to this Agreement.

'Facility Limit' means the maximum amount at any time up to which the Lender will permit Draw downs to be made.

'Inland Revenue' means the Inland Revenue Department of New Zealand.

'Interest Rate' means a rate of interest four (4) percent above the BNZ Housing Lending rates quoted on the first day of the relevant interest period.



1.2. **Interpretation:** In this Agreement, unless the context requires Otherwise:

- (a) references to **dollars** and '**\$**' are references to the lawful currency of Europe;
- (b) references to **clauses** and **schedules** are clauses of and schedules to this Agreement;
- (c) **derivatives** of any defined word or term shall have a corresponding meaning;
- (d) the **headings** to clauses shall be ignored in construing this Agreement;
- (e) the word **including** and other similar words do not imply any limitation;
- (f) any **party** to this Agreement or any other agreement includes its successors and permitted assignees and transferees; and
- (g) the **plural** includes the singular and vice versa.

2. THE FACILITY

2.1. **Grant of Facility:** The Lender grants the Facility to the Borrower on the terms and conditions in this Agreement.

2.2. **Term:** The Facility shall continue until terminated in accordance with clause 9.

3. FACILITY LIMITS

3.1 **Drawdowns:** Subject to the provisions of this Agreement, the Lender agrees to allow Drawdowns by the Borrower up to a maximum amount at any time not exceeding the Facility Limit.

3.2 **Facility Limit:** The Facility Limit shall be two hundred fifty thousand euro dollars (€250,000.00) or such other sum determined by the Lender in its sole discretion from time to time.

4. DRAWDOWNS

4.1. The Lender shall only be required to make a Drawdown available if:

- (a) all requirements of the Lender in relation to the Facility (as advised by the Lender to the Borrower from time to time) have been complied with to the satisfaction of the Lender and no Event of Default has occurred; and
- (b) the amount of the Drawdown will not cause the Facility Limit to be exceeded.

5. PROCEDURE FOR DRAWDOWN

5.1 Subject to clause 4.1 the Borrower may at any time during the currency of the Facility by notice in writing to the Lender request a Drawdown to be made under the Facility '**Drawdown Request**'. If the Borrower has observed and complied with all the terms of the Facility up to the date of such request, the Lender may (at its discretion) deposit the amount of the Drawdown requested to the credit of the Borrowers nominated bank account.

6. PROCEDURE FOR REPAYMENT

6.1. The Borrower may at any time during the currency of the Facility by notice to the Lender make a partial repayment under the Facility and interest shall cease to accrue on the amount



repaid from the date of repayment. Any amount so repaid may (at the discretion of the Lender and subject to clause 4.1) be subsequently redrawn by the Borrower and the provisions of this Agreement shall apply to any such redrawing.

7. INTEREST

- 7.1. **Payment:** The Borrower shall pay interest on the Accommodation at the Interest Rate if demanded by the Lender.
- 7.2. **Review of Interest Rate:** The Interest Rate may be reviewed by the Lender from time to time. The Lender shall notify the Borrower of any variation to the Interest Rate by providing no less than 10 Business Days notice of any variation from time to time.
- 7.3. **Determination of Interest Rate:** In the event of the Interest Rate charged under this Agreement being determined for Inland Revenue purposes at a rate different from the Interest Rate recorded in this Agreement, then the rate so determined shall be substituted for the Interest Rate and such interest shall be payable at the next interest payment date in accordance with clause 7.1, to the intent that all dealings between the parties shall be on arms length terms.

8. DEFAULT INTEREST

- 8.1. The Borrower shall pay to the Lender interest at the rate of three (3) per centum per annum above the interest rate payable on any principal, interest and other moneys payable under the Facility which become due and remain unpaid for the period from the due date for payment until actual payment thereof. Interest payable pursuant to this clause shall accrue and be due and payable on a daily basis and shall be compounded monthly.

9. TERMINATION OF FACILITY

- 9.1. The Lender may at any time by notice in writing to the Borrower terminate the Borrowers entitlement to request further Drawdowns under this Agreement. Immediately upon the Lender giving such notice:
- (a) no further Drawdowns will be permitted by the Lender, and
 - (b) all outstanding Accommodation, accrued interest and other outstanding moneys shall become immediately due and payable.

10. ACCELERATION

- 10.1. If any of the following shall occur:
- (a) **Non-Payment:** The Borrower fails to pay any amount due hereunder in the manner and at the time specified in this Agreement; or
 - (b) **Other Breaches:** The Borrower commits any breach of or omits to observe any obligations accepted or undertakings given by it under this Agreement and such breach or omission, if capable of remedy, is not remedied to the Lenders satisfaction within five (5) Business Days of the earlier of the Borrower becoming aware of such breach or omission and the receipt of a notice from the Lender requiring it to remedy such breach or omission; or
 - (c) **Receiver:** An encumbrancer takes possession or a receiver is appointed to the whole or any part of the assets or undertaking of the Borrower or a distress or execution is levied or enforced upon or sued against any of the chattels or property of the Borrower and is not discharged within ten (10) Business Days of being levied; or
 - (d) **Order for Bankruptcy:** If the Borrower is adjudicated bankrupt or an order is made or an effective resolution is passed for the appointment of a liquidator or the



dissolution or winding-up of the Borrower or the Borrower proposes to enter into any arrangement or composition for the benefit of its creditor; or

- (e) **Insolvency:** The Borrower is unable to pay any debt as it falls due or by reason of insolvency or the Borrower commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with any of its creditors; or
- (f) **Invalidity:** At any time it becomes unlawful for the Borrower to perform any or all of its obligations under this Agreement, or this Agreement becomes invalid or unenforceable in whole or in part or it shall be alleged by or on behalf of the Borrower to be invalid or unenforceable in whole or in part; or
- (g) **Other Circumstances:** Any circumstances arise which in the opinion of the Lender have or may have a material adverse effect on the Borrower,

Then and in any such case and at any time thereafter the Lender may:

- (h) by written notice to the Borrower, declare the Accommodation and any other sums outstanding under this Agreement to be immediately due and payable, upon which the same shall become so payable together with accrued interest thereon; and/or
- (i) exercise its rights, powers and remedies, or any of them under this Agreement and/or at law.

11. PAYMENTS

- 11.1. **No set-off or deduction:** All payments to be made by the Borrower under this Agreement shall be made without set-off, counterclaim or deduction, provided that in no circumstances will the Borrower be required to gross-up any amounts paid or payable by it pursuant to this Agreement.

12. NO ASSIGNMENT

The Borrower may not assign or transfer all or any of its rights, benefits and obligations under this Agreement without the prior written consent of the Lender.

13. NOTICES

- 13.1 All notices are to be delivered by hand or sent by facsimile or mail. In the case of facsimile the notice will be deemed to have been received on the Business Day following its dispatch and in the case of mail will be deemed to have been received on the fifth (5th) Business Day following posting. Notices must be given to the parties at the addresses below.

In the case of the Lenders, to:
Asiapac Strategies Limited
Mill Mall, Suite 6
Wickhams Cay 1
P.O. Box 3085
Road Town, Tortola
British Virgin Islands

In the case of the Borrower, to:
Media Gate N.V.
Wilhelminalaan 13
Curacao



14. GENERAL

14 **Modification:** This Agreement may not be modified or amended except by an instrument in writing signed by the parties or their respective successors or permitted assigns. Any such instrument may be signed in counterparts.

14.1 **Effect of Waiver:** No waiver of any breach of any term of this Agreement shall be effective unless in writing signed by the party having the right to enforce such breach and no such waiver shall be construed as a waiver of any subsequent breach.

14.2 **Costs and expenses:** The parties shall each bear their own costs and expenses incurred in connection with the preparation and implementation of this Agreement.

14.3 **Counterparts:** This Agreement may be signed in counterparts which together shall constitute one agreement binding on the parties, notwithstanding that both parties are not signatories to the original or same counterpart.

14.4 **Facsimile Signature:** The parties may sign a counterpart copy of this Agreement by photocopying a facsimile of this Agreement and signing that photocopy. The transmission by facsimile by a party to the other of a counterpart copy of this Agreement signed by that party shall be deemed proof of signature of the original and the signed facsimile so transmitted shall be deemed an original.

14.5 **Entire agreement:** This Agreement:

- (a) constitutes the entire understanding and agreement of the parties relating to the matters dealt with in it; and
- (b) supersedes and extinguishes all prior agreements, statements, representations and understandings whether verbal or written given by or made between the parties.



EXECUTION

SIGNED for and on behalf of
Asiapac Strategies Limited
as Lender

in the presence of

Witness signature

PENNY LEE

Full name Penny Lee
32 Hollywood Road
Central, Hong Kong.

Address

Occupation

SIGNED for and on behalf of
Media Gate N.V.
as Borrower

in the presence of

Witness signature

Judessa Zalm

Full name

Kaya Barbuletebg

Address

Account manager.
Occupation

SIGNED for and on behalf of
SOVEREIGN MANAGERS LIMITED

Authorised Signatory

Authorised Signatory

CMS Trust N.V.

Authorised Signatory

Authorised Signatory