

Counterproposal

of Privredna banka Zagreb d.d. as the holder of bonds marked IGH-O-176A, ISIN: HRIGH00176A8, following the Decision proposal given under Item 3 of the agenda presented in the invitation issued on 4 October 2013 for holding of the Bondholder Assembly meeting which is to take place on 11 October 2013 at 11.00 a.m. at the premises of the fiduciary Auctor d.o.o., Dežmanova 5, Zagreb. The text of the counterproposal is given below:

Decision on the way in which the bondholders' claims with regard to the bonds marked IGH-O-176A will be settled

I.

The Institut IGH d.d. (the Debtor) and Bondholders shall enter into an Agreement by which the Debtor shall authorize the company *PBZ Nekretnine d.o.o.*, Zagreb, to sell real property items that have been proclaimed as security in accordance with the *Agreement on Security of Payment Claims Through Establishment of a Lien on Real Property Items* dated 13 December 2013, with the purpose of settling claims due according to the *Bond Contract* marked IGH-O-176A, ISIN: HRIGH00176A8.

The parties to the above mentioned Agreement agree that the company *PBZ Nekretnine d.o.o.* shall ask for the Bondholders' approval with regard to any proposed price, before acceptance and notice to the purchaser, i.e. before conclusion of the corresponding sales contract. In case the price is lower than 50% of the estimated value of real estate items amounting to € 8,433,671.03, then the company shall seek approval from the Debtor and the Bondholders.

II

Based on the Agreement specified in item I of this Decision, the Debtor shall be required to pay to the Bondholders an annual compensation of 4,5% of the amount of the principal, in semi-annual instalments, and this compensation shall be calculated as from the day of conclusion of the said Agreement and until the sale of the real estate items.

Privredna banka Zagreb d.d.