

## JOINT-VENTURE AGREEMENT & PARTNERSHIP

### BY AND BETWEEN

- **GRANDRIDGE PROPERTIES Ltd**, headquartered in 601 International House, 223 Regent Street, London W1B 2QD United Kingdom, duly represented by its Directors

Mr Ruggero Ruggieri, identified by Italian Identity Card Nr AS5699775, issued by Municipality of Pineto (TE) Italy on date 12 July 2011, with expiry date 11 July 2012,

RICCARDO GARBUGLIA, identified by Passport N. AA3136230 issued in Macerata (Italy) on date 04 Jun 2008, with expiry date 03 Jun 2018,

a colour copy of which is here attached, with full corporate and legal authority to sign this agreement, hereinafter referred to as "**Investor**",

### And

- **BLACK FLAME EST.RTD.LTD**, headquartered in Omar Bin Kattab street, Jazan, Kingdom of Saudi Arabia, duly represented by

Mr JAWHARI HADI HASSAN HADI, identified by Passport N. I 757548 (Kingdom of Saudi Arabia), issued on date 26 September 2009, with expiry date 03 August 2014,

a colour copy of which is here attached, with full corporate and legal authority to sign this agreement, hereinafter referred to as "**Co-Investor**"

### whereas

- Investor, Co-Investor and the respective Facilitators, are not an agent in the international financial market, and are not registered in the lists established by the FED (USA).
- Investor, Co-Investor and the respective Facilitators, are ready willing and able to provide, in favour of the Joint Venture Agreement, the financial instruments and the real estate investment "Palazzo Bocchi" in Bologna, Italy, of which is here attached the industrial project.
- Investor declares that the financial instrument (check) which will be issued as a guarantee, is original and they have been issued by legal and regular way.
- Co-Investor declares that the sum made available to the joint venture is good, clean, original, and it was acquired by legal and regular way.

### Now therefore

The Parties agree and stipulate the following contract under the discipline of the Conciliation and Arbitrate Rules of the International Chamber of Commerce of Paris, France.

  



## Art. 1 PREMISES

All the premises are integral part of this agreement.

## Art. 2 OBJECT OF THE JOINT-VENTURE

Object of the Joint-Venture is the real estate investment "Palazzo Bocchi" in Bologna (Italy). Investor is ready willing and able to buy and restyle the building attached to the project, and have sales agreements with leading European companies of the properties made, and has direct contact with the seller. This Joint Venture aims to purchase the building above, to carry out renovation and internal reorganization and re-sell the property. The signatories of this Joint Venture declare that they have read the building expert appraisals and that they consider advantageous the purchase of the property for its development and subsequent resale.

## Art. 3 CONTRIBUTIONS

In order to achieve the object of the present Transaction, the Parties respectively agree upon the following contributions.

- A) The Investor will provide the preliminary contract of purchase of "Palazzo Bocchi" in Bologna. The Investor will follow all the technical, managerial and executive operation and will provide, at its discretion, additional sums of money they deem necessary to the optimal completion of the transaction.
- B) The Co-Investor will provide by a payment of € 19.000.000,00 (nineteen million/00 euro). This sum will be so delivered: € 17,500,000.00 to Investor to carry out the performance about the purchase and restoration of "Palazzo Bocchi" in Bologna; € 1.500.000, 00 to facilitators and, more exactly: € 375,000,00 to Mr. Vincenzo Bianchi (Italian Passport number YA1583742), € 375,000.00 to Mr. Marcello Senzacqua (Italian Passport number YA1590265), € 750,000.00 to MARMO WAYS CONSULTING LLC represented by CFO, Mrs Gwynneth Kay Megahan (USA Passport number 485022812). Each Facilitator will pay taxes and contributions on the amount received as law.

## Art. 4 JOINT VENTURE REPRESENTATIVE

This Joint-Venture is ready willing and able to appoint the "Grandridge Properties Ltd" as the only subject representative of this Joint Venture, and accept also that the "Grandridge Properties Ltd" will sign the contract of purchase, restoration and final sale of the property.

## Art. 5 FUNDS MANAGEMENT

The Investor and Co-Investor shall undertake to complete the real estate transaction in twelve months from the signing of this JVA.

- A) At the end of the operation to Co-Investor will be allocated € 50,000,000.00 (fifty million/00 euro).
- B) The Investor will retain any other profit from the transaction. The Investor is entitled



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to decide on the chosen building techniques and has the power to invest money and resources in the transaction. The responsibility for these choices falls only on Investor. In fact, the Investor will receive a gross profit corresponding to the final sale at the end of the transaction minus 50,000,000.00 for the Co-Investor.

All costs associated with the transaction will be borne by the Investor.

Investor, Co-Investor and the respective Facilitators, declare under full responsibility, that the investment profits shall not be used in illegal activity.

## **Art. 6 PROFITS DIVISION AND GUARANTIES**

The gross investment profit shall be split as follows:

At the end of the transaction Investor will perform a transfer of € 50,000,000.00 (fifty million/00 euro) to Co-Investor. So Co-Investor, against € 19,000,000.00 paid will earn a gross profit of € 31,000,000.00. Investor will receive profit according to his management skills of the operation, on the basis set out in Art 5.

The payment of € 50,000,000.00 will be made from Investor by swift to the Co-Investor banking coordinates.

As security, upon payment of the amount set out in Art. 3, paragraph B) of this Agreement, the Investor will deliver to Co-Investor a check of £ 41,000,000.00 (forty one million GB Pounds). This check will be returned to the Investor at the end of the operation, together with the implementation of the transfer of € 50,000,000.00.

## **Art. 7 DURATION**

The duration of the present Joint-Venture, has been fixed in twelve months, starting from the date of the subscription of the present Contract.

## **Art. 8 CURRENCY OF THE CONTRACT**

The utilization of the European Currency is decided by the Parties in consideration of the mutual convenience.

## **Art. 9 DECLARATION ON THE ORIGIN OF FUNDS**

The Joint-Venture declares, under full civil and criminal responsibility, that the Funds made available for the investment are legally owned and are freely available for the foreseen purposes.

## **Art. 10 PAYMENT OF TAXES; DUTIES AND EVENTUAL EXPENSES**

The Parties individually take upon themselves all the obligations relative to the taxation of their income and of any other form of duty relative to the operations constituting the object of the present contract.



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The Parties further individually undertake any other cost should it arise from the execution of the present contract.

#### **Art. 11 INSTRUCTIONS OF THE BANKING INSTITUTIONS**

The Investor authorizes the Co-Investor verify that the check is taken from an original and regular checkbook. Both Investor and Co-Investor prohibit mutually the publication or communication of this contract to anyone without the express permission.

#### **ART. 12 ADDITIONAL CONTRACTUAL PROVISIONS**

Although not specifically mentioned, reference is made to International Chamber of Commerce (ICC), Paris Accords (Publication 421 E).

#### **Art. 13 NON-CIRCUMVENTION CLAUSE**

The Parties personally and corporately commit themselves not to reveal and not to use for their own exclusive benefit information or business contacts arising from the present ("Rules and Regulations" as of the contract "Non-Circumvention, Non-Disclosure Agreement").

The commitment is binding for the heirs, successors, employees, associate, participated or connected companies, consultants or whomever may have a business relation with one of the Parties committed in this clause.

#### **Art. 14 LANGUAGE FOR COMMUNICATIONS**

The Parties agree that all the communications regarding the present Contract and regarding the transactions that the present Contract will generate will be either in Italian or in English Language.

The Parties commit themselves to instruct the respective Banking Institutions regarding chosen Language for the communications that is Italian or English.

#### **Art. 15 TITLES OF THE PARAGRAPHS**

The titles of the paragraphs of any single Article are, as agreed upon by the Parties, merely indicative and thus cannot be explicative of the contents of the paragraphs/articles.

#### **Art. 16 JURISDICTION AN CONTROVERSIES**

Any eventual controversy, having as object the interpretation of the clauses of the agreement, will be submitted to an arbitration board according to the rules of conciliation and arbitrate of the International Chamber of Commerce (ICC) Paris, France.

The Agreement has made of 5 (five) consecutive pages numbered from 1 to 5 read, confirmed and subscribed ..... on this ....., day of the month of May, year 2012.





Investor:

GRANDRIDGE PROPERTIES LTD

Printed Name: Mr. Riccardo Garbuglia  
Italy Pass. N.: AA 3136230

GRANDRIDGE PROPERTIES LTD

Printed Name: Mr. Ruggero Ruggieri  
Italy Pass. N.: YA 3345713

Co-Investor:

Printed Name: Mr. Jawhari Hadi hassan Hadi  
Kingdom of Saudi Arabia Pass. N.: I 757548



Facilitators:

MARMO WAYS CONSULTING LLC

Printed Name: Gwynneth Kay Megahan  
Pass. N.: USA Passport 485022812

Printed Name: Mr. Marcello Senzacqua  
Italy Pass. N.: YA 1590265

Printed Name: Mr. Vincenzo Bianchi  
Italy Pass. N.: YA 1583742



Investor:

Printed Name: Mr.  
Pass. N.:

Printed Name: Mr.  
Pass. N.:

Co-Investor:

Printed Name: Mr.  
Pass. N.:

Facilitators:

MARMO WAYS CONSULTING LLC  
Printed Name: Gwynneth Kay Megahan  
Pass. N.: USA Passport 485022812

Printed Name: Mr.  
Pass. N.:

Printed Name: Mr.  
Pass. N.:





Investor:

Printed Name: Mr.  
Pass. N.:

Printed Name: Mr.  
Pass. N.:

Co-Investor:

Printed Name: Mr.  
Pass. N.:

Facilitators:

Printed Name: Mr. Marcello Senzacqua  
Pass. N.: YA 1590265

Printed Name: Mr. Vincenzo Bianchi  
Pass. N.: YA 1583742

Printed Name: Mr.  
Pass. N.:





**Dott. Paolo Chessa**  
**NOTAIO**  
Via Dell' Industria, 225 - CORRIDONIA  
Tel. 0733/281498 - 281530 fax 281955

Certifico io sottoscritto Dott. Paolo Chessa, Notaio in Corridonia, iscritto nel ruolo del Collegio Notarile dei Distretti Riuniti di Macerata e Camerino, che il contratto che precede e' stato firmato in mia presenza dai signori:

- RICCARDO GARBUGLIA, nato a Lavagna (GE) il 7 aprile 1955, identificato con Passaporto n. AA3136230 rilasciato dalla Questura di Macerata in data 4 giugno 2008;

- RUGGERO RUGGIERI, nato a Pescara (PE) il 1 settembre 1964, identificato con Passaporto n. YA3345713 rilasciato dalla Questura di Teramo in data 4 maggio 2012, della cui identità personale io Notaio sono certo.

Corridonia, li 14 (quattordici) maggio 2012 (duemiladodici).





**Dott. Paolo Chessa**  
**NOTAIO**  
Via Dell' Industria, 225 - CORRIDONIA  
Tel. 0733/281498 - 281530 fax 281956

I, Dott. Paolo Chessa, the undersigned, Notary in Corridonia, joined the United Notary District of Macerata and Camerino, certify that preceding agreement was signed in my presence by

- Mr. RICCARDO GARBUGLIA, born in Lavagna (GE) April, 07 1955, identified by Passport n° AA3136230 issued in Macerata, June, 04 2008,
- RUGGERO RUGGIERI, born in Pescara (PE) Settembre 01 1964, identified by Passport n° YA3345713 issued in Teramo May, 04 2012,

whose identity I Notary am certain.

Corridonia, May, 14 (fourteen) 2012 (two thousand and twelve).

