

A G R E E M E N T

between

Bankinvest  
Brandschenkestrasse 41  
8002 Zurich  
Switzerland

represented by Spiros Zournatzis, Attorney at Law,  
25 Didotou Street, Athens 144, Greece and by

Dr. A. Blatter, Attorney at Law, Angererstrasse 6,  
8002 Zurich, Switzerland

(hereinafter referred to  
as "Bankinvest")

and

- 1) Marcos Kiosseoglu, 8 Stissichorou Street, Athens, Greece
- 2) Theano Kiosseoglu, 8 Stissichorou Street, Athens, Greece
- 3) Iniochos Shipping Company, c/o Halkis Cement Co. S.A., Athens  
Tower, Athens 610, Greece

(hereinafter referred to  
as "Iniochos")

- 4) Profina Produktions- und Finanzierungsanstalt, Vaduz,  
Liechtenstein

(hereinafter referred to  
as "Profina")

represented by Michael Papaconstantinou, Attorney at Law,  
6 Rigillis Street, Athens 10675, Greece

(hereinafter referred to  
as "The Debtors")

WHEREAS

- under a Loan Agreement dated September 28, 1978, Bankinvest had granted Profina a loan for the purpose of purchasing 984'000 shares in the Halkis Cement Company out of the liquidations estate of Hischmann Maschinenfabrik GmbH, Ennigerloh, Federal Republic of Germany, and
- Profina failed to repay such loan under the agreed upon terms and conditions and within the time limit provided for in such loan agreement, and
- therefore Bankinvest consented to grant Iniochos Shipping Company another loan of US\$ 2.6 million under a Loan Agreement dated September 30, 1982, which replaced the Profina Loan Agreement of September 28, 1978, and
- in spite of repeated summons of the claim by Bankinvest, Iniochos also failed to repay such loan within the agreed upon terms and conditions, and
- Bankinvest thereupon filed a law suit against the debtors with the Tribunal of First Instance in and for Piraeus on February 28, 1984, registered under serial number 421, claiming the capital debt of US\$ 2.6 million plus the accrued interests thereon, amounting at that time to US\$ 642'426.--, such interest having meanwhile increased to approximately US\$ 1.9 million, bringing the total claim of Bankinvest to the sum of approximately US\$ 4.5 million at present, and
- the debtors contested such action and Profina filed a counter-action aiming at the dismissal of Bankinvest's action and above that claiming a sum of Drachmas 390'781'824.--, and
- such legal proceedings are still pending, except the action against Theano Kiosseoglu which was actually dismissed by a decision of the Tribunal of First Instance in and for Piraeus, registered under serial number 258/1985, and
- parties are willing to settle their pending disputes,
- it is now hereby agreed as follows:

1. Bankinvest accepts the decision under the above mentioned serial number 258/85 regarding Theano Kiosseoglu and acknowledges that Theano Kiosseoglu has no obligations to Bankinvest and shall consent when called upon before the Tribunal, to remove the mortgages registered on the portion of Theano Kiosseoglu within the office space at Piraeus as set out in the decision under serial number 2201/83 of the Unimembered Tribunal of First Instance in and for Athens.

Furthermore, Theano Kiosseoglu agrees to an immediate sale of her portion in above office space to any third party at a mutually agreed price.

The total sales price of the property of the above office space, one half of it belonging to Bankinvest and the other half belonging to Theano Kiosseoglu shall be distributed as follows: Fifty percent to Theano Kiosseoglu and fifty percent to Bankinvest.

2. Bankinvest herewith reduces its claims from any source to the sum of two million six hundred thousand dollars and shall consider itself upon collection of such sum as fully paid for any claim for the capital, interests and expenses and confirms that after the collection of the above mentioned sum it does not have any claim any longer against Marcos Kiosseoglu and the other debtors. But in case that the value of the items left to Bankinvest in lieu of payment according to this agreement hereinafter should not be sufficient to cover such sum Bankinvest shall also consider itself as having been fully paid from by and through the sale of these items and it is hereby reducing its claims to the price to be collected according to the provisions of this contract.
3. Marcos Kiosseoglu herewith unconditionally acknowledges to owe Bankinvest such sum of US\$ 2.6 million and undertakes to admit such debt before any Tribunal at any time Bankinvest thinks necessary for the satisfaction of its claim.
4. Marcos Kiosseoglu is owner, possessor and holder of a real estate property located in Karavostassi of the Community of Down Achaia of an extension of 541'000 sqm approximately as it is described in the dispositive of the judgement of the Unimembered Tribunal of First Instance in and for Athens under serial number 10255/1987 by which a right of mortgage has been granted to Bankinvest on it, to assure a part of its claim for a sum of Drachmas 350'000'000.--, and its ownership has been irrevocably recognised by virtue of the judgement under serial number 707/80 of the Supreme Court. Such real

estate property is presently encumbered by the following prenotations of mortgages:

- a) Prenotation of mortgage entered in volume 189 and under serial number 21716 in favour of Profina for an amount of Drachmas 96'000'000.--.
- b) Prenotation of mortgage entered in volume 191 and under serial number 22034 in favour of Continental Illinois National Bank of Chicago, U.S.A., for an amount of Drachmas 43'400'000.--.
- c) Prenotation of mortgage entered in volume 192 and under serial number 22316 in favour of the National Bank of Greece for an amount of Drachmas 300'000'000.--.
- d) Prenotation of mortgage entered in volume 193 and under the serial number 22466 in favour of Bankinvest for a sum of Drachmas 350'000'000.--.

It is understood that the prenotation of mortgage in favour of Continental Illinois National Bank, mentioned hereabove under 4 b), is to be cancelled and struck off the register, not later than August 30, 1988, pursuant to an agreement reached between Marcos Kiosseoglu and Continental in principle and to be signed before August 30, 1988.

5. Bankinvest herewith accepts to be satisfied (1) from the proceeds of the sale or the auction of the above mentioned property according to the present settlement, as well as (2) from the price obtained by selling the five hundred and twenty nine thousand three hundred forty four (529'344) shares issued by Cement of Chalkis S.A. which are now pledged in favour of Bankinvest by virtue of the contract dated October 1, 1982 and to the Commercial Bank of Greece, as a third party according to Civil Code Art. 1212 at a ratio and the conditions set out in clause 9 hereunder, and (3) Piraeus flat.
6. Bankinvest hereby resigns from any other claim against Iniochos Shipping Company as well as against Profina. The present disposition constitutes an essential term of this agreement.

This agreement shall be materialised according to the judicial decisions rendered for the implementation of its content. Bankinvest shall refrain from enforcing its claims

against any other item of the fortune of any of the parties other than those stipulated in this agreement.

7. According to the legal opinion of the Greek lawyers representing the parties, the under 4 (a) to (d) above mentioned prenotations of mortgages have legal defects and therefore suffer from total or partial nullity. Profina and Bankinvest will follow the legal procedure for the legalisation of these prenotations and at the same time entrust lawyers of their own choice with legal proceedings aiming at the annulment of the prenotation of mortgage under subclause 4 (c) in favour of National Bank of Greece, and as well as of the prenotation in favour of Continental Illinois National Bank should such prenotation not already be struck off the register in due time according to the settlement between Marcos Kiosseoglu and Continental.

The prenotations of the mortgages in favour of Profina and Bankinvest shall be properly legalized in the following order:

First Rank: Mortgage prenotation of PROFINA for Drachmas 96'000'000.-- as an absolute limit, and

Second Rank: Mortgage prenotation of BANKINVEST for US\$ 2.6 million ? ----- gelöscht ----- ? or the equivalent in Drachmas at the time of payment, at least Drachmas 350'000'000.--.

It is understood that such procedures shall at best efforts of the lawyers be accelerated, the lawyers being obliged not to delay more than ten (10) days each step to be performed by them.

8. The parties agree to sell the five hundred twenty nine thousand three hundred forty four shares in Cement of Chalkis S.A. belonging to Marcos Kiosseoglu at a part of one hundred twenty thousand (120'000) and to Profina at a part of four hundred nine thousand three hundred forty four (409'344) presently pledged with the Commercial Bank of Greece in favour of Bankinvest, pursuant to the following conditions:
- 8.1. Such sale shall be effected by adequate portions on the stock market by a commonly appointed official stock broker at the best possible prices.
- 8.2. The proceeds obtained by such sales shall be deposited into an escrow account with a commonly appointed bank

and shall be frozen until the final fulfilment of this agreement according to its terms.

- 8.3. The debtors shall continuously report to Bankinvest about the sales of such shares, at least monthly.
  - 8.4. Bankinvest undertakes to assist and cooperate in any legal procedure necessary to achieve the aims set out in para. 7 of this agreement.
9. It is agreed that the distribution of the proceeds of the sale of the 529'334 shares issued by Halkis Cement Company shall be effected after:

- the final and legally binding annulment of the prenotations of mortgage under subclause 4 (b) and 4 (c) in favour of Continental Illinois and National Bank of Greece and the striking off of such prenotations in the land register of Dimi Achaias, as well as
- the final and legally binding registration of a second rank mortgage in the amount of US\$ 2.6 million or the equivalent in Drachmas in favour of Bankinvest as set out in Clause 7 hereabove.

The proceeds shall be allocated as follows:

- Bankinvest shall receive the proceeds of 120'000 shares calculated at the average sales price of the total number of shares.
- Profina shall receive the proceeds of 409'344 shares calculated in the same way as Bankinvest's portion.

If the mortgages as set out above are not removed the proceeds shall remain in escrow until the sale of the property and the collection of the sales price and thus the final fulfilment of this agreement.

10. The claims of the parties will be covered in the following manner:
  - 10.1. As soon as possible after the clearing of the prenotation of mortgages according to para. 7 of this agreement, Bankinvest shall carry out all necessary measures in order to bring the Peloponnese estate in a marketable condition (such as soil and survey report, plans and drawings, cleaning of the land itself etc.) and shall furthermore preinvest such cost up to a

sale of the Piraeus office flat.

- 10.2. All the involved parties shall make their best efforts to sell such Peloponnese property at the best possible price to any third person whatsoever.
- 10.3. In case that within thirty (30) months from the date of signing of this agreement no potential buyer should appear who is willing to offer a minimum amount corresponding to the total of items set out below in 10.4., the parties shall proceed to a public auction.
- 10.4. From the price of the sale or of the auction the following claims shall be covered in the following order:
  - 10.4.1. The presale costs incurred by Bankinvest as provided for in para 10.1. of this agreement.
  - 10.4.2. The amount of Drachmas 96'000'000.-- as a maximum amount including all interests and expenses whatsoever to Profina.
  - 10.4.3. The amount of US\$ 2'600'000.-- (two million six hundred thousand US Dollars) or the equivalent in Drachmas at the exchange rate on the day of payment to Bankinvest, plus the attorneys fees pursuant to para. 7 herebefore.
- 10.5. It is understood that the present settlement does not influence at all the adjudication to Bankinvest of the 50% of the apartment of offices located in the streets of Alkimou and Iasonos, in Piraeus, by virtue of the summary of the statement of adjudication under serial number 118219/24.3.1987 of the Notary Public in and for Piraeus Michael Levendi. It is hereby agreed that the price of the adjudication Drachmas 16 000'000.-- namely of an equal sum of US\$ 114'000.-- will be deducted from the hereby agreed claim of Bankinvest, i.e. from the sum of US\$ 2'600'000.--, and thus there is the sum of US\$ 2'486'000.-- remaining to be collected.
- 10.6. After the collection of the above mentioned sums the remaining amount will be paid to Profina which shall register the permit of prenotation of mortgage, already in its hands under serial number 15963/84 of the

Unimembered Tribunal of First Instance in and for Athens for a sum of one hundred million Drachmas (100'000'000.--).

11. Marcos Kiosseoglu undertakes to cooperate with Bankinvest in any useful manner within the sales efforts regarding the Peloponnese estate. In particular, within one month from the signing of this contract he shall hand out to Bankinvest whatever documentation pertaining to the estate he holds, such as soil studies, plans, drawings, models, maps, photographs, etc. as well as a full set of the land titles and the respective legal documents such as High Court decisions recognising his property.
12. The parties agree to keep each other fully informed and briefed about all activities they develop in view of the sale of such property. Each party is free to conduct conclusive and final negotiations with any third party willing to purchase such property. However, any final sales agreement shall be subject to the common consent of Bankinvest and Marcos Kiosseoglu which consent shall not be unreasonably withheld.
13. It is furthermore agreed that the sales contract and all other related legal documents of the Peloponnese estate must be signed obligatorily in the presence of all the parties to this agreement whereupon all the parties will receive cheques in the amount of their claims.
14. The debtors ensure and warrant that all necessary governmental permits to export any monies received by any party pursuant to this agreement are existing and valid or can be obtained without further difficulties, be it in exchange for the permits issued in connection with the initial loan agreements with Profina and Iniochos, be it independently from them, within appropriate time limits.
15. Changes and amendments to this agreement shall only be valid if they have been made in proper form in an instrument signed by all parties.
16. If a provision of this agreement should be invalid, the validity of the other provisions of this agreement shall not be affected. To the extent to which it is legally possible an arrangement which appropriately reflects the object and pur-



pose of this agreement shall take the place of the invalid provision.

17. Correspondence between the parties shall be validly addressed as follows:


- to the Debtors: Mr. Michael Papaconstantinou  
Attorney at Law  
6 Righillis Street  
Athens 10674  
GREECE

- to Bankinvest: Bankinvest  
Att. Dr. A. Blatter  
P.O.Box 1081  
8039 Zurich  
SWITZERLAND

18. The English text of this agreement shall be binding.

19. The parties agree to refer any disputes which cannot be amicably resolved to arbitration, held either in Zurich or in Athens at the discretion of the plaintiff. Governing law for the procedure and the interpretation of this agreement shall be the law of the country of arbitration.

On behalf of the Debtors:

  
.....  
Michael Papaconstantinou

On behalf of Bankinvest:

  
.....  
Dr. Anton Blatter

PUBLIC DEED

I, Dr. Leo Granzio, Notary Public of the Canton of Zug, Switzerland, and attorney at law with offices in Zug at Gotthardstrasse 18, herewith publicly certify:

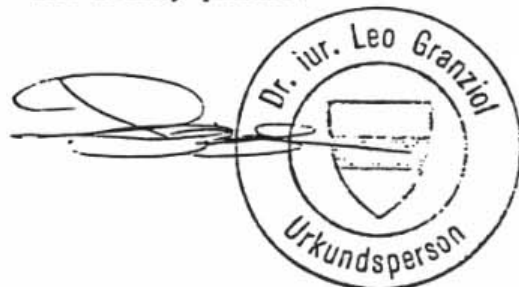
1. The persons present are personally known to me.
2. The persons present declare that this Deed reflects the will of the parties represented by them. Copies of such proxies are attached to this agreement.
3. The persons present read the Deed in my presence and accepted it as true and correct.
4. The persons present signed the Deed in my presence.

The Deed is drawn up in 6 issues:

- 1 issue for the notary public
- 5 issues for the parties

Zug, July 18, 1988

The notary public:



P O W E R   O F   A T T O R N E Y

I/We hereby authorize

Dr. Anton W. Blatter  
Attorney-at-law

in the matter of Kiosseoglou / Iniohos / Profina  
concerning

to perform all legal acts falling within the scope of authority of a general attorney-in-fact, including the right to appoint substitutes. This power of attorney includes in particular the following rights: to represent me/us out of court as well as in all courts, and before all administrative bodies and boards of arbitration, to enter into agreements regarding jurisdiction and arbitration, to file appeals, to sign waivers, to effect settlements by compromise, to execute judgements and settlements, to accept and deliver securities, payments or any other matter in dispute, to institute and enforce execution of debts, including the filing of petitions in bankruptcy, to represent me/us in estate matters and in matters requiring public authentication and also in matters of the recording of real estate transactions, to represent me/us in criminal actions, especially to institute and to withdraw charges and motions for judgement in criminal proceedings. Subject to procedural regulations providing differently, this power of attorney does not expire upon the death, official declaration of disappearance, incapacity to act, or bankruptcy of the undersigned.


I/We bind myself/ourselves in any instance, also if the attorney-in-fact represents me/us either before the Federal Supreme Court or outside the Canton of Zurich, and outside Switzerland, to pay the fee and cash disbursements of the attorney-in-fact in accordance with the provisions and schedules of fees of the Zurich High Court and of the Zurich Bar Association and hereby direct the attorney-in-fact to collect the adjudged amount. Furthermore, I/we assign any indemnities from proceedings as payment to the attorney-in-fact to the extent of his personal claims. The attorney-in-fact is authorized to destroy the files without previous inquiry at the end of ten years following the termination of this matter.

The relationship between the undersigned and the attorney-in-fact shall be governed by Swiss law.

The Principal:  
BANKINVEST

Zürich, July 18, 1988  
Place and Date

  
P. Inderbitzin

  
Dr. F. Hinteregger

APOSTILLE

(Convention de-la Haye du 5 octobre 1954)

1. Land: Schweizerische Eidgenossenschaft, Kanton Zug  
Country: Swiss Confederation, Canton of Zug

Diese öffentliche Urkunde / This public document

2. ist unterschrieben von Dr. Leo Kranz  
has been signed by

3. in seiner Eigenschaft als Notary Public of the  
acting in the capacity of Canton of Zug

4. Sie ist versehen mit dem Stempel / Siegel des (der) boare the stamp / seal of  
Notary Public

Bestätigt / Certified  
6 am / the 19th July 1988

5. In / to 8301 Zug / 8301 Zug

7. durch die Staatskanzlei des Kantons Zug  
by Chancery of State of the Canton of Zug

8. unter / under Nr. 11612

9. Stempel / Siegel / Stamp / seal

10. Unterschrift / Signature  
E. Käppeli

CANTON ZUG



E. Käppeli