

## MINUTES

### Of the meeting of the Board of Directors of ELARG AGRICULTURAL LAND OPPORTUNITY FUND REIT, SOFIA

#### I. Conditions for holding the meeting

1. **Date and place of the meeting:** 27 July 2010

Sofia, 16, "Nikola Vaptzarov" Blvd, floor 1

2. **Participants in the meeting:** 1. **Andrey Valerievich Kruglykhin**

2. **Dobromir Nikolaev Hristov**

3. **Dimitar Atanasov Valkov**

4. **Stefan Georgiev Stefanov**

5. **Ivo Stanev Gadev**

All members of the Board of Directors attend or are represented; the quorum required for making decisions by the Board of Directors is available.

3. **Agenda:**

1. *Adopting of a decision for proposing changes in the conditions of an issue of unsecured bonds ISIN BG2100018071, issued in 2007;*

2. *Other.*

#### II. Holding of the meeting:

There were no objections to the convening and the agenda of the meeting.

#### III. Decisions:

Following deliberations, the Board of Directors, unanimously and without objections, voted the following decision:

**Under Item One on the Agenda:**

***THE BOARD OF DIRECTORS  
DECIDED UNANIMOUSLY:***

*Signature – illegible*

**I.** The Board of Directors of ELARG AGRICULTURAL LAND OPPORTUNITY FUND REIT (also referred to as the “Issuer” or the “Company” shall propose to the General Meeting of Bondholders of the issue of unsecured bonds ISIN BG2100018071 with a maturity 3 August 2010 the following changes in the conditions of the bond issue specified:

**1.** Extending the term of the issue of unsecured bonds ISIN BG2100018071 by three years; the new maturity date of the issue will be 3 August 2013, on which date the principal will be fully paid (100% of the face value).

**2.** The interest rate under the issue of unsecured bonds ISIN BG2100018071 to be increased from 7% to 8.75% per annum, fixed, payable in two equal parts every six months, on an Actual/Actual interest rate basis.

**3.** To establish a call option for the Issuer so that the latter has the right, unilaterally and without the consent of the bondholders, on any day after 3 August 2011 to repay early the whole bond issue or part thereof at a price (including a premium) of 1.01 x face value of the issue. The issuer undertakes to inform the bondholders of its intention to exercise the call option at least 30 days in advance, and provide then with information about the amount of the face value it intends to repay.

**4.** Additional commitments: The Issuer shall apply the income from sales of assets other than agricultural land (non-core assets) for the payment of the interest and the principal under the bond issue.

**5.** Maintaining of financial ratios: The financial indicators the Issuer undertakes to maintain until the full extinguishing of its liabilities under the issue of unsecured bonds ISIN BG2100018071 (the bond loan) will be calculated on the basis of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS); they include:

- *Minimum value of the Equity to Assets ratio:* Total equity / Total assets > 0.50 (fifty percent);
- *Maximum value of the liabilities to assets ratio according to the balance sheet:* (Total liabilities – Total equity) / Total assets < 0.50 (fifty percent);
- *Minimum value of the interest coverage ratio:* (Profit from normal activities + Interest expenditure) / Interest expenditure > 0.50 (fifty percent).

**II.** All other conditions and parameters of the issue of unsecured bonds ISIN BG2100018071 shall remain unchanged.

**Under Item Two on the Agenda:**

***THE BOARD OF DIRECTORS  
DECIDED UNANIMOUSLY:***

*Signature – illegible*

**I.** To empower the Executive Director Andrey Valerievich Kruglykhin to request from the Trustee Bank of the bondholders of the issue of unsecured bonds ISIN BG2100018071 – CB “Investbank” AD – to convene as soon as possible a General Meeting of Bondholders for discussing the proposals under Item One on the Agenda, set out above.

**II.** To empower the Executive Director Andrey Valerievich Kruglykhin to undertake all preliminary, current and follow-up legal and factual actions necessary for carrying out the amendments in the conditions (including clarifications thereof) of the issue of unsecured bonds ISIN BG2100018071, including changes in the Issuer’s accounts with the “Central Depository” AD and the Bulgarian Stock Exchange, changes in the Prospectus of the bonds and other similar documents, as well as for implementing the other requirements for the implementation of the decisions made, under conditions he thinks fit with a view to the interests of the Issuer.

#### **IV. Participants in the meeting:**

##### **Members of the Board of Directors:**

**1. Andrey Valerievich Kruglykhin:**

*[Signature of proxy illegible]*

**2. Dobromir Nikolaev Hristov:**

*[Signature illegible]*

**3. Dimitar Atanasov Valkov:**

*[Signature illegible]*

**4. Stefan Georgiev Stefanov:**

*[Signature illegible]*

**5. Ivo Stanev Gadev:**

*[Signature illegible]*

**POWER OF ATTORNEY**

To: **The Members of the BD  
of ELARG Agricultural Land Opportunity Fund REIT**

Dear Sirs,

**Regarding:** Meeting of the Board of Directors of ELARG Agricultural Land Opportunity Fund REIT, convened on 27 July 2010 at the following address: Sofia, 16, “Nikola Vaptzarov” Blvd, floor 1

Hereby I authorise **Dobromir Nikolaev Hristov, PIN: 6906196281 – Member of the Board of Directors of ELARG Agricultural Land Opportunity Fund REIT**, to represent me at the Meeting of the Board of Directors, which will be held on 27 July 2010 at the following address: Sofia, 16, “Nikola Vaptzarov” Blvd, floor 1, with the following Agenda:

**Agenda:**

*1. Adopting of a decision for proposing changes in the conditions of an issue of unsecured bonds ISIN BG2100018071, issued in 2007;*

*2. Other.*

I authorise Dobromir Nikolaev Hristov to vote on my behalf and on his own judgement on the items on the Agenda.

26.07.2010

Andrey Valerievich Kruglykhin  
Member of the Board of Directors:

*[Signature illegible]*