



ARTICLES OF ASSOCIATION

CORUM

SECTION I: LEGAL FORM, OBJECT OF THE COMPANY, COMPANY NAME, REGISTERED OFFICE, DURATION

Article 1 – Legal form

The Company is a French open-ended investment company (*société civile à capital variable*) governed by Articles 1832 et seq of the French Civil Code, by Articles L.214-86 to L.214.120 and R.214-130 to R.214-160 of the French Monetary and Financial Code, by the General Regulations of the French financial authority (*Autorité des Marchés Financiers*, AMF) and all subsequent texts as well as by these Articles of Association.

Article 2 – Object of the Company

The object of the Company is to:

- buy and manage rental properties in France and in the eurozone. For the purpose of asset management, the Company may engage in improvement works and, incidentally, in extension and reconstruction works. It may also acquire such equipment and facilities as are necessary for the use of the properties. In addition, it may sell part of the real estate assets provided that they were not acquired with the intention of reselling them and that such sales do not occur on a regular basis,
- hold shares in partnerships (*sociétés de personnes*) that are not admitted to trading on a market, whose partners are liable for any losses exceeding their contributions, whose assets primarily include properties acquired or built for leasing purposes, and whose other assets are liquid,
- hold shares in real estate investment companies (French *sociétés civiles de placement immobilier*, SCPI), units or shares of real estate investment schemes (French *Organismes de placement collectif immobilier*, OPCI) or equivalent foreign entities.

Article 3 – Company name

The company's name is "Corum Convictions".

Article 4 – Registered office

The Company's registered office is situated at 1 rue Euler, 75008 Paris, France.

It may be transferred to any other location in the same French "department" or in an adjacent "department" by a mere decision of the Management Company and to any other location by decision of the Extraordinary General Meeting.

Article 5 – Duration

The duration of the Company shall be ninety-nine years (99) from its date of registration in the Trade and Companies Register (RCS), except in case of early dissolution or extension provided for in these Articles of Association.

SECTION II: SHARE CAPITAL, SHARES

Article 6 – Share capital

Each shareholder shall hold at least one share, or fractions of share equivalent to at least one share.

6.1 Initial share capital

The initial share capital is set at nine hundred and fifty thousand, seven hundred and eighty-six euros (€950 786).

It is divided into 1103 fully paid-up shares of €862 each.

These shares cannot be sold during the three years following the authorisation by the AMF, pursuant to Article L.214-86 of the French Monetary and Financial Code.

6.2 Authorised share capital

The maximum share capital authorised by these Articles of Association is set at two billion, three hundred and thirty-two euros (€ 000 000 332). The Management Company is authorised by these Articles of Association to carry out capital increases up to this maximum amount of two billion, three hundred and thirty-two euros (€ 000 000 332) through the issue of new shares, but it is not required to reach this maximum amount within a specific period.

The maximum authorised share capital may be changed by decision of the Extraordinary General Meeting acting under the conditions set forth for amendments to the Articles of Association.

6.3 Open-ended company

The Company's outstanding share capital, which is the fraction of the authorised share capital that is subscribed or issued as consideration for the shareholders' contributions, may increase due to new contributions by current shareholders or to the entry of new shareholders, or decrease due to the sale by one or more shareholders of all or part of the shares, within applicable legal and regulatory limits.

6.4 Fractions of shares

The management company may decide to issue "fractions of shares" representing one tenth, one hundredth, one thousandth or one ten thousandth of a share.

The provisions of the Articles of Association setting out the rules for issuing, transferring or redeeming shares shall also apply to fractions of shares, whose value shall be proportional to that of the shares they represent. Unless otherwise specified, all other provisions of the Articles of Association relating to shares shall automatically apply to fractions of shares.

Article 7 – Increase and reduction of capital

The outstanding share capital may be increased through the issue of new shares, without any obligation whatsoever for the Company to reach the maximum share capital authorised by these Articles of Association.

The subscription price shall remain within a range of plus or minus 10% of the reconstitution value, which is equal to the realisable value plus the acquisition costs of replacing the assets. The realisable value is equal to the estimated market value of the real estate assets plus the net value of other assets.

Every year, the Ordinary General Meeting called to approve the accounts for the financial year shall recognise and approve the outstanding share capital on the last day of the financial year.

Capital increases through capitalisation of reserves are also possible and shall be decided by the Ordinary General Meeting.

No new shares can be issued for the purpose of increasing the share capital until the initial share capital is fully paid up and until all share redemption requests listed in the register provided for in Article L.214-93 of the French Monetary and Financial Code at a price less than or equal to the subscription price are met.

Reductions of share capital may also be carried out at any time by decision of the Extraordinary General Meeting and for any amount, provided that share capital does not, under any circumstances, fall below the highest of the following three amounts as a result of redemptions:

- 10% of authorised share capital,
- 90 % of the outstanding share capital recognised during the last General Meeting,
- minimum legal requirement for real estate investment companies (French *sociétés civiles de placement immobilier*, SCPI), i.e. €760 000 as of today.

In order to ensure flexible management, the General Meeting may create a redemption fund and establish the amount allocated to this fund.

Article 8 – Revaluation of assets

The Management Company may propose to the Ordinary General Meeting to revalue the assets recognised in the balance sheet subject to conditions provided for by law. After approval by the General Meeting, the revaluation difference shall be recognised as a liability in a reserve account of the balance sheet.

Article 9 – Shares

All shares are in registered form. They shall under no circumstances be regarded as transferable securities and each shareholder's rights shall result from these Articles of Association, from subsequent resolutions related to the capital, and from valid share transfers.

Each shareholder's rights shall result exclusively from the inclusion of the shareholder in the Company's shareholder register.

Each shareholder shall be given a certificate of inclusion in the shareholder register by the Management Company. Such certificates are not transferable securities and shall be returned to the Company prior to any new entry in the share transfer register or any redemption request. In case of loss, theft, destruction or non-receipt of a certificate, the shareholder shall produce to the Management Company a declaration of loss signed under the same conditions as those for the original subscription form and such signature shall have been certified by a judicial officer or by any other legal means.

In this case, a new registered share certificate marked as "DUPLICATE" shall be issued free of charge.

Article 10 – Rights and obligations attached to the shares

1. Each share is entitled to a portion of the Company's assets and profit distributions equal to one divided by the number of existing shares. However, interim dividends attached to newly issued shares only begin to accrue from the date stipulated upon the issue.

All rights and obligations attached to a share shall remain attached upon transfer. The ownership of a share entails, as of right, acceptance of these Articles of Association and decisions taken by General Meetings.

The heirs, representatives or creditors of a shareholder shall under no circumstances initiate any request to seal off the Company's assets, or request their sale by auction or their partition, or interfere in the management of Company. In order to exercise their rights, they must refer exclusively to the annual financial statements and decisions of the General Meeting.

2. Shareholders' may only be held liable after the Company has been unsuccessfully prosecuted.

Pursuant to Article L.214-89 of the French Monetary and Financial Code and by way of derogation from Article 1857 of the French Civil Code, each shareholder shall only be liable to third parties in proportion to the number of shares held.

Shareholders shall be liable to one another for the Company's debts and liabilities in proportion to the number of shares held.

Article 11 – Transfer of shares

1. Procedure for transfer of shares

All transfers of shares shall be formalised through a transfer declaration from the seller or from their representative, which shall be recorded in the share transfer register kept by the company for this purpose.

Requests may be sent to the Management Company or to an intermediary by any channel provided that it includes an acknowledgment of receipt.

When a share transfer is recorded in the share transfer register, it becomes enforceable against the Company and third parties, by way of derogation from Article 1690 of the French Civil Code.

If redemptions are suspended in application of Article L.214-93 of the French Monetary and Financial Code, all shareholders may still send requests to the Management Company to sell all or part of their shares.

For buy and sell orders to be valid, they shall be recorded in a register kept at the Company's registered office. The execution price results from the matching of supply and demand; it is established and published by the Management Company at the end of every order entry period.

Each transaction gives rise to a new entry in the shareholder register, which shall be construed to constitute the deed of transfer provided for in Article 1865 of the French Civil Code. From the moment the transaction is recorded, the change of ownership shall become enforceable against the Company and third parties. The Management Company shall act as guarantor in these transactions.

The specific arrangements for implementing these provisions, especially disclosure requirements in the secondary share market and determination of the order entry period, shall be established pursuant to the regulations and detailed in the Company's prospectus.

Likewise, in case of a private deed for the transfer of shares, the Management Company's intervention in the deed shall make the transfer enforceable against the Company and third parties, without it being necessary to comply with the procedures provided for in the aforesaid Article 1690.

Transactions directly entered into by a buyer and a seller shall be considered transactions made without the intervention of the Management Company.

2. Entitlement to dividends

The dates on which interim dividends payable to sellers of shares cease to accrue and interim dividends payable to buyers of shares begin to accrue shall be stipulated in the prospectus.

3. *Inter vivos* transfers

The shares of the Company are freely transferable.

4. Transfer on death

The Company shall continue its existence even after the death of a shareholder. Its share capital shall be owned by surviving shareholders and the heirs and beneficiaries of the deceased shareholder and, if any, the surviving spouse in joint ownership.

Likewise, the legal prohibition, personal bankruptcy, receivership or liquidation, or bankruptcy of one or more shareholders, shall not entail the termination of the Company.

In the event of death of a shareholder, the heirs, beneficiaries and spouse shall demonstrate their status within three months from the date of death, by producing the probate (*acte de notoriété*) obtained or an extract from the abstract of the inventory of the deceased's estate (*intitulé d'inventaire*).

Usufructuaries and bare owners shall also be represented before the Company by only one of them or by a common representative chosen among the shareholders.

The exercise of the rights attached to each shareholder's shares is subject to the production of such supporting documents, without prejudice to the right for the Management Company to require that a notary deliver certified copies or extracts from any certificates of their status.

Article 12 – Indivisibility of shares

The shares are indivisible and the Company recognises only one owner for each share.

Co-owners of shares shall be represented before the Company and at shareholder meetings by a single representative who may be chosen among them or not.

If no agreement is reached, such representative shall be appointed by the courts at the request of the most diligent co-owner.

The holders of fractions of shares may pool their fractions of shares. In such case, they shall be represented as provided for in the second and third paragraphs above, by only one person who shall exercise, for each group, the rights attached to the ownership of one whole share.

Usufructuaries and bare owners shall be represented before the Company by only one of them or by a common representative chosen among the shareholders. In the absence of a representative being notified, the Management Company shall convene the usufructuary to Ordinary General Meetings and the bare owner to all Ordinary and Extraordinary General Meetings.

Usufructuaries have the right to vote for ordinary decisions (especially regarding profit allocation) and bare owners have the right to vote only for extraordinary decisions.

Concerning profit allocation: the company's operating profit before extraordinary items, extraordinary income resulting exclusively from capital gains on the sale of securities and positive retained earnings, if distributed, shall be payable exclusively to usufructuaries; distributed extraordinary income, resulting exclusively from the sale of fixed assets other than securities, shall be paid to bare owners. In the event of dissolution of the SCPI, any liquidation surplus shall be distributed among the usufructuaries and bare owners in proportion to their respective contributions to the SCPI.

Article 13 – Share pledge

Shares can be pledged either by way of a private or notarial deed notified to the Company or accepted by the Company in a notarial deed making the share pledge public, whose date determines the ranking of listed creditors. Creditors whose share pledges are published on the same day are considered of equal rank. The pledgees take precedence over the rights attached to pledged shares as soon as the share pledge is made public.

Article 14 – Withdrawal of a shareholder

Since the SCPI is an open-ended company, all shareholders are entitled to exit all or part of their investment. In order to ensure flexible management, the General Meeting may create a redemption fund and establish its amount.

When the Management Company receives a redemption request, if there is no redemption fund, there are two possible situations:

1. The amount of subscription requests is greater than or equal to the amount of the redemption request: in this case, the shares are redeemed based on the current subscription price less the subscription fee paid to the Management Company,
2. The Management Company observes that redemption requests recorded in the register accounting for at least 10% of shares issued by the Company have not been met within a 12-month period: in this case, in application of Article L.214-93 of the French Monetary and Financial Code, the Management Company shall notify immediately the French financial authority (AMF), and convene an Extraordinary General Meeting within the following two months in order to either propose to lower the share price or to sell one or more properties, pursuant to Article L.214-114 of the French Monetary and Financial Code. The redemption shall thus be executed under the subscription conditions currently offered to the public.

In the latter case, the Management Company shall notify the shareholders that the redemption operation needs to be postponed.

Upon redemption, shareholders are entitled to be refunded their contributions based on the share price established every year and indicated in the quarterly newsletter. Redemptions shall be executed based on the redemption price established as described above.

If the redemption price has decreased, the Management Company shall notify shareholders who requested the redemption of their shares by registered mail with acknowledgement of receipt no later than the day before the redemption is executed. If the concerned shareholders do not respond within 15 days from the date this registered letter is received, the redemption request shall be considered to be maintained at the current redemption price. This information shall be included in the notification letter.

Redemption request register

Redemption requests notified to the Management Company shall be centralised in chronological order of receipt, in a register kept at the Company's registered office.

Documentation to be sent to the Company

Redemption requests shall be notified to the Management Company by registered letter with acknowledgment of receipt along with the relevant share certificates.

These shares shall be cancelled.

SECTION III – MANAGEMENT OF THE COMPANY

Article 15 – Management Company

The Company is managed by a Management Company incorporated and subject to conditions provided for by law and authorised by the French financial authority (AMF).

CORUM ASSET MANAGEMENT (CORUM AM), a public limited company (French société anonyme) with a share capital of 600 000 euros, whose registered office is at 1 rue Euler, 75008 Paris, France, registered in the Paris Trade and Companies Register (RCS) under No. 531 636 546, an asset management company authorised by the French financial authority (AMF) under No. GP-11000012, is appointed indefinitely by these Articles of Association as Management Company.

The Management Company's functions may only be terminated upon its dissolution, bankruptcy, receivership or liquidation, resignation or removal, or if the AMF withdraws its approval.

If the Management Company ceases to exercise its function, the Company shall be managed by another Management Company authorised by the AMF, appointed by a General Meeting under the conditions provided for by General Meetings. This General Meeting shall be convened as quickly as possible either by the Supervisory Board or by the outgoing Management Company.

Article 16 – Responsibilities and powers of the Management Company

The Management Company shall have the fullest powers to act under all circumstances on behalf of the Company and to decide, authorise and execute all operations related to the object of the Company.

In particular, the Management Company's powers include, but are not limited to, the following:

- managing the Company and representing it in relations with third parties and with any authorities,
- allowing for the open-ended nature of the Company and managing subscriptions and redemptions under the conditions provided for in Articles 6 and 7,
- acquiring properties in compliance with the object of the Company, entering into purchase agreements, requiring the Company to pay for all the fees and comply with the conditions stipulated in these agreements, paying the price, complying with all disclosure requirements and, more broadly, doing whatever is necessary,
- granting leases with the terms, prices, fees and conditions deemed appropriate,
- receiving any amounts payable to the Company, paying those it is liable for, approving accounts with creditors and debtors, and giving receipts and discharges,
- entering into insurance policies,
- bringing legal actions, both as a claimant and as a defendant,
- deciding upon and commissioning any maintenance, repair, improvement, extension and reconstruction works to the Company's properties and, for this purpose, deciding upon quotes and contracts,
- opening and operating postal cheque accounts and bank accounts,
- preparing and receiving all the Company's correspondence and collecting any letters and parcels sent to the Company by registered mail,
- approving the Company's accounts and submitting them to General Meetings,
- convening and chairing General Meetings, approving their agenda and enforcing their decisions.

The Management Company may only borrow money on behalf of the Company, take on debts or make forward purchases up to a maximum amount established by the Ordinary General Meeting.

Therefore, since the Management Company is only in charge of the Company's management, it shall not incur any personal liability deriving from the Company's commitments and shall only be liable for its mandate.

The Management Company shall take out an insurance policy covering the Company's responsibility related to its properties.

The corporate signature shall belong to the Management Company.

The Management Company may delegate to a representative of its choice, under its own responsibility, any powers among those it was assigned, for one or more predefined purposes and for a limited period.

In this case, the Management Company shall share with its representatives all or part of its income in such a way that said representatives should under no circumstances be considered agents of the Company, or bring a direct action against the Company.

The Management Company may not receive under its own name funds intended for the Company.

Pursuant to Article L.214-98 of the French Monetary and Financial Code, the Management Company, regardless of how it was appointed, may be removed by the General Meeting by the same majority as for its appointment. Such removal may give rise to damages if deemed unfair. Furthermore, the Management Company may be removed by the courts on legitimate grounds at the request of any shareholder.

Article 17 – Fees paid to the Management Company

As compensation for its services, the Management Company shall receive the following fees:

1. Subscription fee

Upon capital increases, the Management Company shall receive a subscription fee of 11.964% (including taxes) of the subscription price, to be deducted from the share premium. Such subscription fee shall cover:

- fundraising costs accounting for 10.764% including taxes (subscription fee exempt from VAT pursuant to Article 261-C-1^e of the French General Tax Code);
- property search and investment costs accounting for 1.20% including taxes (fee exempt from VAT pursuant to Article 135, 1, g) of Council Directive 2006/112/EC of 28 November 2006).

2. Management fee

The Management Company shall receive a management fee of 13.20% (including taxes) of rental income (excluding taxes) received and net finance income, which breaks down as follows:

- 8.40% (including taxes) for administrative management, covering office and staff costs needed for managing the Company (including accounting, shareholder register keeping, offices and staff) and distributing the profits (fee exempt from VAT pursuant to Article 135, 1, g) of Council Directive 2006/112/EC of 28 November 2006);
- 4% excluding taxes, i.e. 4.80% including taxes (VAT rate effective as of 1 January 2015) for the management duties related to the operation of the properties.

Such management fee shall be paid on a quarterly basis.

It is intended to cover the costs for the offices and staff needed for managing the Company (accounting, shareholder register keeping, offices and staff), collecting rental income and distributing the profits.

It shall be paid to the Management Company as the Company recognises income.

It shall be retained directly by the Management Company through monthly instalments when the Company recognises gross income.

It does not cover any other expenses payable by the SCPI, which is responsible for paying directly:

- costs related to acquiring property assets and rights, leasing them, in particular transfer taxes and other taxes and fees payable upon the purchase of properties, notary fees and fees payable to the writer of the deeds,
- renovation works including architect or design offices, and other potential expenses,
- costs of technical management, maintenance, repair works and changes to properties,
- insurance, taxes and charges, water and electricity bills and, more broadly, all costs related to properties,
- costs of convening and holding General Meetings and Supervisory Board meetings; communications to shareholders,
- expenses of Supervisory Board members,
- auditors' fees,
- valuation fees and litigation costs,
- communication, printing and sending costs for all communications to shareholders,
- contributions, membership fees or dues to regulatory bodies and trade associations.

3. Transfer fee

For share transfers made with or without valuable consideration (donations / inheritance), the Management Company shall receive a fixed fee of €240.00 including taxes (fee exempt from VAT pursuant to Article 135, 1, g) of Council Directive 2006/112/EC of 28 November 2006), from the seller, donor or beneficiaries, irrespective of the number of shares transferred.

4. Fee on property capital gains

The Management Company shall receive a fee exclusively if a capital gain is realised. Such fee shall amount to:

- 1% (incl. taxes) of the net selling price if it is less than €5m;
- 0.75% (incl. taxes) of the net selling price if it is greater than or equal to €5m.

This fee, which is exempt from VAT pursuant to Article 135, 1, g) of Council Directive 2006/112/EC of 28 November 2006, will be charged on the day of signing of the final sale and purchase agreement.

5. Fee on supervision and monitoring of works to the properties

A fee on supervision and monitoring of works to the properties shall be received by the Management Company exclusively in case of works resulting in an extension of rental floor area. Such fee shall be equal to 1% (excluding taxes) of the amount (excluding taxes) of works recorded as fixed assets and shall be received as these works are recognised.

6. Other fees

The payment of other fees shall be submitted to the approval of the General Meeting in order to cover extraordinary costs that were unforeseeable as of the date of signature of these Articles of Association, and which could result from new legal or regulatory measures or from any other legal, economic or corporate circumstances. The decision of the General Meeting shall be made in accordance with Article L.214-106 of the French Monetary and Financial Code.

7. Payment of fees

Any amounts payable to the Management Company shall be non-refundable, under any circumstances or for any reason whatsoever.

SECTION IV – SUPERVISORY BOARD

Article 18 – Appointment of the Supervisory Board

A Supervisory Board shall be established to assist the Management Company. Such Board shall consist of seven to twelve members chosen among the shareholders and appointed by the Ordinary General Meeting.

The Ordinary General Meeting shall establish the total compensation of the Supervisory Board, which shall be responsible for distributing it among its members. Supervisory Board members shall be appointed for a term of three years and may be reappointed without limit. Their term of office shall expire following the Ordinary General Meeting called to approve the accounts for the financial year ended and held during the third year following their appointment.

The first Supervisory Board shall be totally renewed during the General Meeting called to approve the accounts for the third full financial year in order to allow for the maximum possible representation of shareholders having no connection with the founders.

The term of office of Supervisory Board members shall be limited to 3 years.

If, as a result of a vacancy by death or resignation, the number of Supervisory Board members falls to seven, the Board may decide to appoint an eighth member. If the number of members falls below seven, new Supervisory Board members shall be appointed to return to seven members. Such temporary appointments by the Supervisory Board shall be submitted to the approval of the following Ordinary General Meeting. Until such approval is obtained, temporary members shall enjoy the same voting rights as other Supervisory Board members.

Any person appointed to replace a member whose term of office has not expired shall only remain in office until the following General Meeting.

In order for shareholders to be able to choose personally Supervisory Board members, the Management Company shall call for applications for appointment to the Supervisory Board and give shareholders a binding vote on the resolutions related to the appointment of Supervisory Board members.

The Internal Procedures of the Supervisory Board shall specify and complement the rights and obligations of Supervisory Board members, as well as the composition, duties and operational rules of the Supervisory Board. The Internal Procedures adopted by the Supervisory Board are available on the website en.corum.fr.

In application of the Internal Procedures, the candidate for the Supervisory Board must own at least fifteen shares, comply with this requirement at all times during their term of office and be under 70 years of age on their date of appointment.

Article 19 – Setup – Meetings and resolutions of the Supervisory Board

The Supervisory Board shall appoint, among its members and for the duration of their terms, a Chairman and, when deemed necessary, a Vice Chairman and a secretary who do not have to be members of the Board. If the Chairman or the Vice Chairman is absent, the Board shall appoint for each meeting one of its members to act as Chairman.

The Supervisory Board shall meet as often as required by the Company's interests but at least once a year. It may be convened by the Chairman or by two other members or by the Management Company. Supervisory Board meetings shall be held at the registered office or at any other location indicated in the notice.

Supervisory Board members shall be entitled to reimbursement of their travel expenses incurred to attend Board meetings, on production of supporting documents.

The procedure for calling meetings shall be determined by the Supervisory Board.

Absentees may vote in writing by post or appoint one of their colleagues as a proxy (also in writing by post if they wish) to represent them in decisions of the Supervisory Board: Board members may only represent up to two colleagues.

Decisions of the Supervisory Board shall only be valid if the number of members present or represented or voting by post is greater than or equal to half of the Board members in office. Decisions shall be made by a majority of votes cast. In the event of a tie, the Chairman shall have the casting vote.

The number of Board members in office, their appointment and the powers of attorney granted to proxies shall be made enforceable against third parties by including in the minutes of each meeting the names of present and represented members, of those voting by post, and of absentees.

Decisions of the Supervisory Board shall be recorded in minutes, which shall themselves be filed in a specific register kept at the registered office and signed by the Chairman of the meeting and by the secretary.

Copies or extracts to be produced in court or elsewhere shall be certified by the Chairman or by two Supervisory Board members or by the Management Company.

Article 20 – Powers of the Supervisory Board

The Supervisory Board's mission is to:

- assist the Management Company,
- submit an annual summary report on the management of the Company to the General Meeting including misstatements and non-conformities identified, if any, and give its opinion on the report of the Management Company and on draft resolutions submitted to the Board;
- to this end, it may at all times of the year make all such checks and inspections as it considers appropriate and may demand production of any documents or ask the Management Company for a report on the Company's situation,
- deliver its opinion on any questions asked by the General Meeting.

Article 21 – Liability of Supervisory Board members

Supervisory Board members shall not, by virtue of their functions, incur any personal or joint liabilities deriving from the Company's commitments. They shall only be liable to the Company and to third parties for personal misconduct in the performance of their supervisory duties.

SECTION V – AUDITORS

Article 22 – Appointment of the Auditor(s)

The Ordinary General Meeting shall appoint one or more Auditors for a term of six financial years. A substitute Auditor is also appointed. Their terms shall expire after the Ordinary General Meeting called to approve the accounts for the sixth financial year. The Auditor appointed by the General Meeting to replace another auditor shall only remain in office until the term of their predecessor expires.

The Auditor(s) shall be chosen among the persons included in the list provided for in Article L. 822-1 of the French Code of Commerce and are subject to the incompatibilities set forth in Article 822-11 of said code.

In particular, they shall certify that the annual accounts provide a true and fair view of the Company's position and ensures equal treatment of shareholders.

Any decisions made in the absence of duly appointed Auditors or on the report of Auditors appointed or who remained in office in contravention of the above-mentioned Articles L.822-1 and 822-11 shall be null and void. Any invalidity action shall cease as soon as a General Meeting on the report of duly appointed Auditors expressly confirms the decisions.

Article 23 – Responsibilities and powers

The Auditors shall certify the truth and fairness of the Company's inventory and accounts.

They shall constantly check the Company's books and figures, as well as the truth and fairness of the information communicated to shareholders to ensure their equal treatment. The Auditors may at all times of the year, individually or collectively, make all such checks and inspections as they consider appropriate and may demand production in situ of all such documents as they consider of assistance in the performance of their duties.

They shall communicate to the Management Company and the Supervisory Board the information stipulated in Article L.225-237 of the French Code of Commerce. The Auditors shall be convened to the meeting where the Management Company approves the accounts for the financial year ended, and to all General Meetings.

Their duties shall include those defined in Articles L.225-236 and L.234-2 of the French Code of Commerce. They shall comply with the requirements defined in Article L.225-240 of the French Code of Commerce.

No asset revaluation can be carried out if a specific report has not been previously submitted by the Auditors to the General Meeting and approved by the General Meeting.

Article 24 – Fees and liabilities

The Auditor(s)' fees shall be paid by the Company and established as described in the legislation related to public limited companies (sociétés anonymes), in Article L.822-11 of the French Code of Commerce.

The Auditors' liabilities shall be as described in Article L.822-17 of the French Code of Commerce.

SECTION VI – COLLECTIVE DECISIONS

Article 25 – Collective decisions

1. Duly convened General Meetings shall represent all shareholders and their decisions made in compliance with the law and with these Articles of Association shall be binding on all shareholders including absent, dissenting and legally-incompetent shareholders.

2. General Meetings shall be held at the Company's registered office or at any other location in the same French "department" or in an adjacent "department". Shareholders shall be convened to General Meeting by the Management Company at least once a year within the six months following the end of the financial year in order to approve the accounts for the financial year ended, unless an extension of this six-month period is granted by a court decision.

3. General Meetings are regarded as:

- "extraordinary" when their decision is related to an amendment to these Articles of Association, the approval of contributions in kind, the grant of specific benefits to the management, subscription terms if the share capital is opened to new investors again after more than three years, or any other decisions provided for by these Articles of Association or by regulations,
- "ordinary" when their decision is related to management matters or to any other matter in application of these Articles of Association.

4. General Meetings shall only be valid if shareholders present or represented account for at least half of the capital for extraordinary decisions or at least a quarter of the capital for ordinary decisions. Quorum calculations shall be based on the amount of share capital as of the date of the General Meeting.

In any case, decisions shall be made by a majority of votes cast by shareholders present or represented. If, due to absences or abstention, the above-mentioned quorum is not present during the first consultation, shareholders shall be asked to participate in a second vote and decisions shall be made by a majority of votes cast, regardless of the proportion of share capital represented; however, these quorum and majority requirements shall only be valid for resolutions that have already been subject to a first consultation.

Article 26 – General Meetings

1. Meeting notice

General Meetings shall be convened by the Management Company or, in its absence, by the Supervisory Board or the Auditor(s), or by the Liquidator. They may also be convened by a representative appointed by the court, or by any person concerned, or by one or more shareholders representing at least one-tenth of the share capital.

If a shareholder confirms acceptance, in writing, to receive documents related to General Meetings by email at least twenty days before the date of the following meeting, documents related to future meetings may be sent to them by email. In the absence of such confirmation, the shareholder shall be convened by ordinary letter.

Shareholders shall also be convened through an official meeting notice in the official French Journal of Mandatory Legal Notices "BALO". Shareholders may also request to be convened by registered letter provided that they pay the Company the resulting postage surcharge.

The period between the date of publication of the official meeting notice or the date of dispatch of the notice letter, whichever is later, and the date of the General Meeting shall be of at least fifteen days for first consultations and six days for subsequent consultations.

The official notice in the BALO and the notice sent by mail shall include the information provided for in Article R.214-138 of the French Monetary and Financial Code and, in particular, the agenda and draft resolutions to be submitted to the General Meeting along with related documentation.

2. Agenda

a) The agenda of the General Meeting specified in the notice sent by mail shall be prepared by the convenor. All questions included in the agenda shall be presented in such a way that their content and meaning are fully understandable and do not require referring to any document other than those attached to the notice.

b) One or more shareholders representing at least 5% of share capital may request the inclusion of draft resolutions in the agenda of the General Meeting. Such request shall be sent to the registered office by registered letter with acknowledgement of receipt at least twenty days before the General Meeting for first consultation.

However, if the Company's share capital is greater than €760 000, the proportion of share capital that shareholders are required to represent in application of the previous indent of this Article shall be reduced as follows:

- 4% for the first €760 000,
- 2.5% for the portion of capital between €760 000 and €7 600 000,
- 1% for the portion of capital between €7 600 000 and €15 200 000,
- 0.5% for the portion of capital in excess of €15 200 000.

Draft resolutions may be supported by a brief explanatory statement.

The Management Company shall acknowledge receipt of draft resolutions by registered letter within five days from receipt. Draft resolutions are included in the agenda and submitted to the General Meeting for vote.

c) If the agenda includes the appointment of the Supervisory Board or members of management and administrative bodies, the meeting notice shall specify:

The first and last names, age, professional references and occupation over the past five years of the applicants, as well as their position or function in the Company and the number of shares held.

3. Participation in decisions

Each shareholder shall be entitled to take part in decisions and shall have a number of votes in proportion to the number of shares held.

4. Proxies

Each shareholder may appoint another shareholder as a proxy. Proxies of legally incompetent shareholders may take part in the vote even though they are not shareholders themselves. Proxies shall be granted for one Meeting or for two Meetings held on the same day. Proxies granted for a specific Meeting remains valid for all subsequent Meetings with the same agenda.

Each power of attorney granted to a proxy shall include their first and last names, address and number of shares held. Such powers of attorney shall be attached to the attendance sheet and communicated according to the same procedure as for the attendance sheet.

5. General Meetings

General Meetings shall be chaired by the Management Company or, in its absence, by a person appointed by the General Meeting.

General Meetings shall be chaired by the convenors when they are the Auditor, the Chairman of the Supervisory Board, the Official Receiver appointed by the court or the Liquidator.

The scrutineers' functions shall be fulfilled by two members of the General Meeting with the highest number of votes and having accepted this position. The Chairing Committee of the General Meeting, which comprises the Chairman and two scrutineers, shall appoint a secretary who does not have to be chosen among the shareholders.

6. Attendance sheet

At each General Meeting, an attendance sheet shall be kept and shall include the information listed in Article R.214-145 of the French Monetary and Financial Code, i.e. the first and last names and address of each shareholder, proxy or represented shareholder as well as the number of shares held.

Besides, powers of attorney shall include the same information as mentioned above and shall be attached to the attendance sheet and communicated according to the same procedure as for the attendance sheet.

The attendance sheet shall be duly signed by present shareholders and proxies and certified as accurate by the Chairing Committee of the General Meeting. A summary of votes by post and the appended forms shall be attached to the attendance sheet.

Article 27 – Powers of the General Meeting

1. Ordinary General Meeting

The Ordinary General Meeting shall hear the reports of the Management Company and Supervisory Board on corporate matters and those of the Auditor(s).

It shall approve the accounts and resolve on the allocation and distribution of profits.

Every year, it shall approve the book value, realisable value and reconstitution value of the Company recognised by the Management Company in a statement appended to its management report.

It shall appoint, reappoint or replace the Auditors and Supervisory Board members and establish the total compensation of the Supervisory Board. It shall appoint, reappoint or remove the Management Company.

It shall appoint one or more independent property valuers for a term of 5 years, after approval by the French financial authority (AMF) of their application submitted by the Management Company.

It shall change, if necessary, the maximum amount of forward purchases that the Management Company is allowed to make on behalf of the Company. The Ordinary General Meeting shall grant the Management Company such authorisations as are necessary for all cases where the powers of the Management Company might be insufficient.

It shall deliberate on all draft resolutions included in the agenda that are beyond the competence of the Extraordinary General Meeting.

2. Extraordinary General Meeting

The Extraordinary General Meeting may amend any provision of these Articles of Association but it may not change the Company's nationality.

It may decide to convert the Company into a company of any other legal form permitted by law.

Article 28 – Written consultations – Postal voting

1. Written consultations

In addition to General Meetings provided for by law, the Management Company may, if deemed appropriate, consult the shareholders in writing or ask them, without convening any meeting, to make a collective decision by postal voting.

In the case of written consultations, proposed draft resolutions as well as such documents as are necessary to inform the shareholders shall be sent to them by ordinary letter along with the written consultation.

However, shareholders may receive these documents by registered letter provided that they pay the resulting postage surcharge.

Shareholders shall, within twenty days from the date of dispatch of the Management Company's letter, cast their vote by post to the Management Company. Airmail is required for international correspondence. During this twenty-day period, shareholders may exercise their right of communication provided for in Article 32 below.

The Management Company shall not take into account votes received after this twenty-day voting period. Therefore, non-voters and shareholders whose votes are received too late shall be considered not to have taken part in the vote.

For each meeting, votes shall only be valid if expressed by "YES" or "NO". The rules set forth in Article 24 below shall apply to collective decisions made by written consultation.

In the case of written consultations, the Management Company or any other person designated by the latter shall take the minutes of the consultation, to which all votes shall be attached. Such minutes shall be copied into the Register of decisions provided for in Article 28 below.

2. Postal voting

All shareholders may vote by post using a form provided by the Management Company. Draft resolutions supported by an explanatory statement and mention of their author's name shall be appended to the form.

The postal vote shall be conducted in accordance with Article L.214-105 of the French Monetary and Financial Code.

The postal voting form returned to the Company shall only be included in the quorum if received by the Company no later than the day of the General Meeting.

Article 29 – General Meeting minutes

1. General Meeting minutes

All decisions of the General Meeting shall be reported in minutes drawn up and signed by the members of the Chairing Committee of the General Meeting.

These minutes shall include the date and location of the meeting, the procedure used for calling the meeting, the agenda, the composition of the Chairing Committee, the number of shares held by each voter and the quorum, as well as the documents and reports submitted to the General Meeting, a summary of the debates, draft resolutions to be put to a vote and the results of voting.

2. Register of General Meeting minutes

General Meeting minutes shall be drawn up free of charge, in plain language, in a specific register kept at the registered office, which shall be numbered and signed by a judge or by the Mayor or Deputy Mayor of the town.

3. Copies or extracts of General Meeting minutes

Copies or extracts of General Meeting minutes shall be duly certified by the Management Company or by a member of the Supervisory Board. They may also be certified by the Secretary of the General Meeting. Upon liquidation of the Company, they shall be duly certified by a single liquidator.

Article 30 – Communications to shareholders

The following documents and information shall be sent to all shareholders at least fifteen days before the General Meeting:

1. the Management Company's report,
2. the Supervisory Board's report(s),
3. the Auditors' report(s),
4. postal and proxy voting forms,
5. in the case of Ordinary General Meeting provided for in the first indent of Article L.214-103 of the above-mentioned French Monetary and Financial Code: balance sheet, profit and loss account, notes to the accounts and, if any, the Supervisory Board's and the Auditors' reports.

Furthermore, shareholders may at all times, regardless of whether they are accompanied by a person of their choice, consult either directly or through a proxy, at the registered office, the following documents for the past three financial years: balance sheets, profit and loss accounts, notes to the accounts, inventories, reports submitted to the meetings, attendance sheets and minutes of General Meetings, total fees payable to the Company's management and administrative bodies, and payable for its supervision if the supervisory bodies receive a compensation.

Except for the inventory, the right of access to documents entails the right to make copies thereof.

SECTION VII – FINANCIAL STATEMENTS

Article 31 – Financial year

The financial year runs for 12 months from 1 January to 31 December. Exceptionally, the first financial year shall run from the Company's date of incorporation to 31 December of the same year.

Article 32 – Accounts

At the end of each financial year, the Management Company shall draw up an inventory of the Company's assets and liabilities as of that date. In addition, it shall also draw up the statement of assets and liabilities, statement of changes in equity, profit and loss account and the notes to the accounts and prepare a written report on the Company's position and operations during the financial year ended.

It shall also comply with the French general chart of accounts adapted to SCPIs (Article L.214-109 of the French Monetary and Financial Code) under conditions defined by orders, depending on the needs and means of said companies and in view of the nature of their business.

The management report shall outline the Company's position during the financial year ended and foreseeable changes thereof, as well as significant events occurred between the end of the financial year and the date on which the report is drawn up.

The managers of the Management Company shall indicate the book value, realisable value and reconstitution value of the Company they manage in a statement appended to their management report. The realisable value is equal to the sum of the estimated market value of properties and the net value of other assets of the Company. The reconstitution value of the Company is equal to the realisable value inclusive of acquisition costs of replacing the assets.

The documents stipulated in this Article shall be made available to the Auditors under conditions provided for by the French Monetary and Financial Code.

Capital increase fees including subscription fee, property search and investment costs paid to the Management Company, may be deducted from the share premium.

The accounts shall be approved every year according to the same format and using the same valuation methods as in previous financial years. However, the Management Company may propose changes to the presentation of the accounts to the Ordinary General Meeting, according to legal and regulatory requirements.

Article 33 – Determination of profits

The Company's profit and loss account summarising the Company's income and expenses for the financial year shows, after deduction of amortisation and provisions, the profit or loss for the financial year. The distributable profit shall include the net profit for the financial year, less any losses from prior years and plus any retained earnings.

Article 34 – Distribution of profits

The General Meeting may decide, in addition to distributable profits, to distribute amounts from available reserves. Such decision shall expressly stipulate the reserve accounts from which these funds are drawn.

Distributable amounts shall consist of total distributable profits and reserves available to the General Meeting. After approval of the accounts and recognition of distributable amounts, the General Meeting shall decide which portion of those amounts is to be attributed to shareholders as dividends.

Any dividend distributed in the absence of an inventory, or in presence of a fraudulent inventory, shall be considered invalid. However, any interim dividend for previous or current financial years distributed before the accounts for such financial year are approved shall be considered valid in the following circumstances:

- when the Company holds, after the distribution approved for the previous financial year, reserves greater than the amount of interim dividends,
- when a balance sheet established during or at the end of the financial year and certified by one of the Auditors reveals that the Company has recorded, for the financial year, after potential depreciation and amortisation charges and after deduction of previous losses, if any, a net profit greater than the total amount of interim dividends. The Management Company may decide to distribute interim dividends and to establish the amount and payment date thereof.

The Management Company shall have authority to:

- distribute, based on interim accounts, amounts from the account "capital gains or losses on the sale of rental property", subject to Company's auditor issuing, for each distribution, a document certifying that those amounts are distributable;
- pay, in the name and on behalf of the relevant shareholders, any taxes, contributions and duties payable as a result of the sale of property assets by the SCPI during the financial year.

SECTION VIII – DISSOLUTION – DISPUTES

Article 35 – Dissolution

At least one year prior to the end of the Company's existence, the Management Company shall convene an Extraordinary General Meeting to decide whether the Company's term should be extended.

If the Management Company does not prompt such decision, any shareholder may apply, after a formal notice by registered letter has remained without effect, to the President of the Regional Court (Tribunal de grande instance) under whose jurisdiction the Company's registered office is situated, to appoint an Official Receiver in charge of consulting the shareholders and triggering a decision by the shareholders on the dissolution of the Company.

In addition, the Extraordinary General Meeting may decide the early dissolution of the Company at any time.

Article 36 – Liquidation

In case the Company's term is not extended, and in case of early dissolution, the liquidation shall be carried out by the Management Company in office, which may be assisted, when considered advisable by the General Meeting, by one or more co-liquidators appointed by the General Meeting.

During the liquidation and at any time during the Company's existence, shareholders may make, during General Meetings, such decisions related to the liquidation of the Company as deemed necessary in the interest of all parties.

All the assets shall be sold by the Liquidator(s) who shall be given the fullest powers for this purpose provided that, however, they are authorised by the Ordinary General Meeting pursuant to Article 26-1.

After satisfaction of all liabilities and expenses, the net asset value shall be used to repay the amount of the shares if such repayment has not been made yet. Any liquidation surplus shall be distributed among shareholders in proportion to the number of shares held.

At all times during the Company's existence and after its dissolution, until liquidation is complete, the Company's properties and other assets shall always belong to the "Company" as an actual legal person before dissolution or fictitious legal person after dissolution. As a result, no portion of the Company's assets shall be considered as jointly owned by the shareholders.

At the end of the liquidation, shareholders shall be convened to a meeting in order to approve the final accounts of the Liquidator(s), to discharge the Liquidator(s) and to close the liquidation.

Article 37 – Disputes

Any disputes that may arise among shareholders during the Company's existence or during its liquidation regarding corporate matters shall be dealt with in accordance with the law and submitted to the competent courts under whose jurisdiction the Company's registered office is situated.

In case of a dispute, all shareholders shall give an address for service of process within the area of jurisdiction of the court where the Company's registered office is situated. All summonses or notifications shall be validly delivered to that address.

If no address for service of process is provided, summonses and notices shall be delivered to the Parquet de Monsieur le Procureur de la République (French Prosecutor's Office) of the area of jurisdiction of the Tribunal de grande instance (Regional Court) where the Company's registered office is situated.

For the purposes of these Articles of Association, the parties choose the Company's registered office as their address for service.