

SOCIETE FONCIERE LYONNAISE

French *société anonyme* (public limited company)
with share capital of **€93,057,948**

Registered office: 42 rue Washington, 75008 Paris, France

Paris Companies Registry: 552.040.982 R.C.S.

ARTICLES OF ASSOCIATION

- Up to date as of 28 April 2017 -

*Certified as exact by
Nicolas Reynaud
Chief Executive Officer*

TITLE I

Legal form of Company - Corporate name

Purpose - Term - Registered office

ARTICLE 1

A *société anonyme* (public limited company) has been formed by the holders of the shares created under Title II herein and is governed by the applicable laws for *société anonymes* and by these Articles of Association.

ARTICLE 2

The Company's name is **Société Foncière Lyonnaise**.

ARTICLE 3

The Company's purpose is to:

- Acquire, by way of purchase or absorption or under a 99-year lease or a shorter lease, any and all real property located in France, the French overseas territories or abroad, and to extend any such properties; conduct any industrial, rental or management activities and generally enhance the value of the properties;
- Sell or exchange such properties, for cash or for shares;
- Manage properties on behalf of third parties;
- Participate by any method in any and all existing or future companies or business ventures related to the corporate purpose, including by means of the formation of new companies, the sale of assets in exchange for shares, membership of a general partnership, subscription or purchase of shares or other rights;
- Conduct any and all transactions related directly or indirectly to the corporate purpose or which are likely to facilitate the fulfilment of said purpose.

ARTICLE 4

The Company's term was originally set at 99 years as from 9 October 1879, its date of incorporation, and was extended by 86 additional years until 8 October 2064, by a decision of the Extraordinary General Meeting of 8 June 1966.

ARTICLE 5

The Company's registered office is established at 42 rue Washington, 75008 Paris, France. It may be transferred to any other location in France by decision of the Board of Directors, subject to this decision being ratified at the subsequent Ordinary General Meeting.

TITLE II

Capital - Shares - Bonds

ARTICLE 6

The share capital is set at €93,057,948, divided into 46,528,974 ordinary shares with a par value of €2, all fully paid up.

The Company's capital may be increased on one or more occasions by any method provided for by law.

The share capital is increased by the issue of ordinary shares or preference shares, or by raising the par value of existing shares. It may also be increased through the exercise of rights attached to securities with rights to shares, on the basis defined by law.

ARTICLE 7

Shareholders in a General Meeting may resolve to reduce the Company's capital either by reducing the par value of the shares or reducing the number of shares in issue.

Where shareholders in a General Meeting resolve to reduce the Company's capital for any reason other than to absorb losses, the Board of Directors may be authorised to purchase a fixed number of shares to be subsequently cancelled in accordance with the applicable law.

ARTICLE 8

Where a capital increase is carried out by issuing shares payable in cash, at least one quarter of the par value of such shares shall be paid up at the time of the issue, as well as the entire amount of any related premium. The Board of Directors shall decide upon the timing and amount(s) of the subsequent payment(s) of the balance due.

ARTICLE 9

Where called but unpaid amounts on partially paid-up shares are not settled in accordance with the terms and conditions determined by the Board of Directors, said outstanding amounts shall accrue interest on a daily basis, calculated at the legal interest rate, without any requirement for an application to court.

In addition, in order to obtain any such called but unpaid amounts, the Company shall be entitled to sell the shares concerned and to take all appropriate action as provided for by law.

In such a case the Company shall serve the defaulting shareholder with a formal notice to pay, by way of a registered letter with return receipt requested. If the amount due is not settled within thirty days of service of the said notice the unpaid shares shall be stripped of attendance and voting rights for General Meetings as well as dividend rights and pre-emptive subscription rights for subsequent share issues. However, following the payment of all outstanding amounts due to the Company (corresponding to the principal amount plus interest and costs), the shareholder concerned may request the payment of any dividends that are not time-barred and will recover their rights to attend and vote at General Meetings.

ARTICLE 10

- I. Fully paid up shares may be held in registered or bearer form, at the option of the shareholder, in accordance with the law. They are recorded in a shareholder's account in accordance with the terms and conditions provided for in the applicable laws and regulations.
- II. The Board of Directors is authorised to use all methods provided for under the applicable laws and regulations – including an application to the securities clearing house – to obtain identification details of holders of shares and other securities convertible, redeemable, exercisable or otherwise exchangeable for shares carrying voting rights at the Company's General Meetings, together with details of the number of securities held by each such person and of any restrictions affecting the securities.
- III. Article 208 C II *ter* of the French Tax Code states that companies governed by the SIIC tax regime are required to pay withholding tax when a dividend distributed from profit that is exempt from corporate income tax in accordance with Article 208 C II of said Code is paid, or deemed to be paid, to a corporate shareholder that directly or indirectly holds at least 10% of the SIIC's dividend rights at the dividend payment date, where said corporate shareholder does not satisfy certain conditions in terms of its tax status ("Withholding Tax Shareholder").

Any corporate shareholder which becomes the owner, directly or indirectly, of 10% or more of the Company's dividend rights must inform the Company in its disclosure threshold statement whether it fulfils the above definition of a Withholding Tax Shareholder. If the shareholder states that it does not fulfil this definition it must provide the Company with appropriate evidence. In addition, the shareholder concerned is required to promptly notify the Company of any changes that may affect its tax status in relation to Article 208 C II *ter* of the French Tax Code.

IV. In addition to legal disclosure obligations for the ownership of certain percentages of share capital or voting rights, any individual or legal entity, acting alone or in concert, that holds – directly or indirectly in accordance with Articles L.233-7 *et seq.* of the French Commercial Code – shares and/or securities carrying rights to shares representing at least 2% of the Company's capital or voting rights, is required to disclose to the Company by registered letter with return receipt requested, within five trading days of the registration of the additional interest, details of the number of shares and/or securities carrying rights to shares that are held and the number of voting rights attached thereto.

These disclosure formalities must be followed whenever a shareholder's interest is raised to above or reduced to below the threshold of 2% and any multiples thereof for any reason, including when the interest exceeds 5%.

In the case of failure to comply with these disclosure rules, at the request of one or several shareholders with combined holdings representing at least 2% of the Company's capital or voting rights, the undisclosed shares will be stripped of voting rights, in accordance with the conditions set down by law. Said request will be recorded in the minutes of the General Meeting and will entail the automatic application of the above-mentioned sanction.

ARTICLE 11

Shares are indivisible vis-à-vis the Company, meaning that one share confers only one right. This does not, however, apply to the right to receive information prior to General Meetings as such entitlement applies both to the bare owners (*nu-propriétaires*) and the beneficial owners (*usufruitiers*) of any jointly held shares.

If several persons own one share, they are required to elect one representative to act on behalf of that share. If no agreement can be reached on the appointment of such a representative, he or she shall be named by a Commercial Court judge in summary proceedings following an application by the first joint shareholder to take action.

Voting rights attached to the Company's shares shall be exercised by the beneficial owner in Ordinary General Meetings and by the bare owner in Extraordinary General Meetings. Voting rights attached to pledged shares are retained by the pledger.

In the event of a capital increase, any pre-emptive subscription or allocation rights attached to shares that have both legal and beneficial owners shall be exercised in accordance with the applicable legislation.

ARTICLE 12

Shares are freely transferable, subject to the applicable legal and regulatory limits.

The Company's bearer shares may be traded on the stock market in accordance with the applicable law. Shares may also be purchased or sold through off-market account transfers, subject to the conditions set down by the applicable laws and regulations.

ARTICLE 13

All rights and obligations attached to shares are transferred with title thereto. Share ownership automatically requires shareholders to comply with the Company's Articles of Association and the decisions made by General Meetings.

The heirs or creditors of a shareholder may not under any circumstances apply for the Company's assets to be placed under seal or to be sold or divided, and may not interfere in any way whatsoever with the running of the Company. All rights of said persons are governed by the Company's applicable rules and regulations and decisions of General Meetings.

ARTICLE 14

In accordance with Article 33 below, each share entitles its holder to a proportion of profits and net assets based on the proportion of capital represented by the share. All tax exemptions as well as any tax payable by the Company, shall be applied to all of the Company's shares equally prior to any allocation or redemption, throughout the term of the Company or upon its liquidation, in order to ensure that all shares receive the same net amount.

Where a shareholder must own a specific number of shares to exercise a particular right relating to the exchange or allocation of shares, a reverse stock-split, a capital increase or reduction, a merger or other corporate action, shareholders owning fewer than the number of shares required to exercise the rights concerned will be personally responsible for obtaining said number, through share purchases or sales if necessary.

TITLE III

Management of the Company

ARTICLE 15

The Company shall be managed by a Board of Directors composed of at least three and not more than sixteen members, subject to the exception provided by the law in the event of a merger.

Directors are elected for three-year terms, except for candidates who are aged 70 or over on the date of their election or re-election, whose term is limited to one year.

The term of office expires at the close of the Ordinary General Meeting which approved the accounts for the previous year and which was held in the year that the relevant director's term expired.

Directors may be re-elected, subject to the restriction set forth in the following paragraphs.

The number of directors over 70 may not represent more than one-third of the serving members of the Board.

If this proportion is exceeded, the oldest director(s) will be considered as having resigned to restore the ratio to one-third or less.

Accepting and taking up office is contingent on the directors undertaking that they will at all times comply with legal requirements while serving their term, especially with respect to the provisions on multiple directorships.

ARTICLE 16

Where one or more seats become vacant in the event a director dies or resigns, the Board of Directors may temporarily appoint new directors until the next General Meeting. The appointments made by the Board of Directors are subject to shareholder ratification at the next Ordinary General Meeting. In the event they are not ratified, the decisions and actions already taken by the Board of Directors still remain valid. When there are less than three directors, the remaining directors must immediately convene a General Meeting in order to increase the number of Board members to the required minimum.

A director appointed to replace another director only exercises the said functions for the remainder of his or her predecessor's term of office.

ARTICLE 17

Each director must own at least 25 shares registered in their name.

ARTICLE 18

The Board of Directors selects from among its members a Chairman, who has to be a natural person, for a term that cannot exceed that of his term as a director. The Chairman may be re-elected. The Board of Directors sets the Chairman's remuneration. The Board of Directors can remove him from office at any time.

The Chairman is required to retire from office at the close of the Ordinary General Meeting called to approve the financial statements for the year of his 75th birthday.

The Chairman of the Board of Directors organises and leads the work of the Board and reports thereon to shareholders at the General Meetings. He ensures that the Company's corporate governance structures function properly and that directors are able to fulfil their responsibilities. He chairs General Meetings.

When the Chairman is unable to carry out his responsibilities, the Board of Directors may appoint a director as interim Chairman for a specific time period. This appointment can be renewed.

The Board of Directors may appoint one or more Vice-Chairs whose sole duties are to chair the Board meetings when the Chairman is absent. When the Chairman and Vice-Chairs are not in attendance, the Board appoints one of the directors present to chair the meeting. At each meeting, the Board of Directors can appoint a secretary, who does not have to be a shareholder.

ARTICLE 19

The Board of Directors shall meet as frequently as necessary in the Company's interests and at least four times a year. They are convened by the Chairman.

Meetings are held at the registered office or at any other location indicated in the notice of meeting. Notice must be given three business day in advance unless there is an urgent reason to hold the meeting sooner. Notice may be given by all means, even orally.

If the Board has not met for more than two months, at least one third of the members of the Board of Directors may request the Chairman to convene a Board meeting to discuss a given agenda.

The Chief Executive Officer can also ask the Chairman to convene a Board of Directors' meeting to discuss a given agenda.

The Chairman shall be bound by requests made to him in accordance with the above two paragraphs.

The Board may only deliberate validly where at least half of its members are present.

The Board of Directors may authorise members to participate in meetings using videoconferencing or other telecommunications facilities that permit them to be identified and to participate directly in the discussions, in compliance with the applicable regulations.

An attendance register is signed by directors attending the meeting. The minutes of each meeting is sufficient proof for third parties of the number of directors in office, their attendance and representation.

Decisions are taken on a majority of votes cast by members in attendance or represented. Each director in attendance or represented has one vote and each director in attendance may only hold one proxy. In the event of a split vote, the Chairman shall have the deciding vote.

Copies or extracts of these minutes, required for legal or other purposes, may be certified by the Chairman of the Board of Directors, the Chief Executive Officer, a director temporarily delegated the powers of Chairman, or any other duly authorised person.

ARTICLE 20

The Board of Directors sets the Company's business strategy and oversees its implementation. Subject to the powers expressly assigned to General Meetings and within the limits of the

Company's purpose, it handles all matters involving the proper functioning of the Company and settles matters through its deliberations.

In dealings with third parties, the Company shall be bound by acts of the Board of Directors, even if such acts are not within the scope of the Company's purpose, unless the Company can prove that the third party knew that the act was not within the scope of said purpose or that, under the circumstances, said third party should have known.

The Board of Directors shall carry out the controls and inspections it considers necessary. The directors shall receive all the information needed to allow them to fulfil their responsibilities and may ask the Chairman or the Chief Executive Officer for any and all documents required for this purpose.

The Board of Directors may decide to set up committees and therefore establishes how each committee will be formed, the powers vested to it and the remuneration of its members.

ARTICLE 20 bis

The Board of Directors can appoint within the Company up to four non-voting directors from among the individual shareholders.

Non-voting directors are appointed for a three-year term, except for candidates who are aged 70 or over on the date of their appointment or re-appointment, whose term is limited to one year.

Non-voting directors participate in meetings of the Board of Directors and the Board may seek their advice. They may submit observations at General Meetings, if asked to do so and if they consider such a course of action appropriate. They must be invited to attend all Board Meetings. Non-voting directors may be assigned specific tasks by the Board and may sit on Board Committees.

Non-voting directors must own at least 25 Company shares. The Board of Directors may pay the non-voting directors a portion of the directors' fees that are allocated to it by the General Meeting. It can also authorise any expenses incurred by the non-voting directors in the Company's interest.

ARTICLE 21

I - The Company's general management is handled either by the Chairman of the Board of Directors or by another person chosen from among the Board members or from outside the Board. This person holds the title of Chief Executive Officer.

The Board of Directors chooses between these two types of general management and informs the shareholders and other stakeholders in accordance with the conditions set forth by decree.

The Board's decision as to the type of general management requires a majority of votes as described in Article 19.

Their selected option and any subsequent option shall remain valid until otherwise decided by the Board of Directors.

If the Chairman also serves as Chief Executive Officer, he is also subject to the provisions of these Articles of Association regarding the Chief Executive Officer.

- II - When the Chairman of the Board is not responsible for the Company's general management, the Board appoints a Chief Executive Officer, who does not have to be a director and who is subject to the same maximum age limit set for the office of Chairman. The Board of Directors sets the Chief Executive Officer's term of office and any limitations to his powers.

The Chief Executive Officer may be removed at any time by the Board of Directors. Where the decision to remove the Chief Executive Officer is not made on legitimate grounds, he may be entitled to claim damages, unless the Chief Executive Officer is also the Chairman of the Board of Directors.

The Chief Executive Officer has the widest powers to act in all circumstances in the name of the Company. He exercises these powers within the scope of the Company's corporate purpose and subject to those powers expressly conferred by law on General Meetings or the Board of Directors. He represents the Company in its dealings with third parties. The Company shall be bound by acts of the Chief Executive Officer, even if such acts are not within the scope of the Company's purpose, unless the Company can prove that the third party knew that the act was not within the scope of said purpose or that, under the circumstances, said third party should have known. Where authorised by the Board of Directors, the Chief Executive Officer may grant securities, guarantees, or sureties backed by the Company in accordance with the conditions and limits set in the applicable regulations.

Accepting and serving the term of Chief Executive Officer is contingent on his confirming that he complies with the legal requirements regarding multiple directorships and appointments as chief executive officer in *sociétés anonymes* (public limited companies).

- III - On the recommendation of the Chief Executive Officer, the Board of Directors may appoint between one and five Managing Directors. The age limit for holding office as Chairman shall also apply to the Chief Executive Officer and the Managing Director(s). The Managing Director(s) may or may not be members of the Board of Directors. They may be removed from office at any time by decision of the Board of Directors, based on the Chief Executive Officer's recommendation. If the decision to remove a Managing Director from office is not made on legitimate grounds, he or she may be entitled to claim damages. With the agreement of the Chief Executive Officer, the Board of Directors shall decide the scope and duration of the powers delegated to the Managing Director(s). In their dealings with third parties, the Managing Directors shall have the same powers as the Chief Executive Officer. If the Chief Executive Officer no longer fulfils his or her responsibilities or is prevented from doing so, the Managing Director(s) shall remain in office and continue to exercise the same responsibilities until

a new Chief Executive Officer has been appointed, unless the Board of Directors decides otherwise.

IV - The Board of Directors determines the amount and terms and conditions of the remuneration of the Chief Executive Officer and the Managing Director(s).

ARTICLE 22

The General Meeting can allocate an annual fixed amount as directors' fees to remunerate directors for their duties. It sets the amount without being bound by earlier decisions with respect to directors' fees. The amount of the remuneration is recorded in operating expenses and remains the same until decided otherwise. The Board of Directors distributes, at its discretion, the overall amount of directors' fees among the directors.

Statutory Auditors

ARTICLE 23

The Statutory Auditor(s) are elected by the General Meeting and perform their engagement in accordance with the law.

Their fees are determined according to the conditions provided by the applicable regulations.

When a Statutory Auditor appointed as provided for above is an individual or sole proprietorship, one or more substitute Auditor(s) must be appointed to replace the Statutory Auditor(s) if necessary in accordance with the applicable legislation.

The Statutory Auditors can act either jointly or separately. In either case, they are required to draft a joint report.

TITLE VI

General Meetings

ARTICLE 24

General Meetings are called in accordance with the applicable laws and regulations.

They are held at the Company's registered office or at the venue selected by the Board of Directors, as specified in the notice of meeting.

The Board of Directors sends or makes available to shareholders the documents required to enable them to make informed decisions about whether to vote for resolutions and an informed judgement about the management of the Company's business.

Following communication of the above information, shareholders may submit written questions to the Board of Directors to be answered during the General Meeting. If several questions are submitted on the same subject, the Board may issue a single statement in reply to all the questions.

A written question is considered as having been answered when the reply is posted on the FAQs page of the Company's website.

ARTICLE 25

I – General Meetings may be attended by all holders of fully paid up shares that have been recorded in the shareholder's account prior to the date of the meeting as follows:

- Holders of bearer shares and holders of registered shares recorded in an account not kept by the Company may vote at General Meetings in person, by proxy or by post provided that their shares are recorded in an account kept by an accredited intermediary as of the record date.
- Holders of registered shares recorded in an account kept by the Company may vote at General Meetings in person, by proxy or by post provided that their shares are recorded as of the record date.

These formalities must be completed no later than 12:00 a.m. CEST on the second day preceding the date of the Meeting (the record date).

Shareholders, proxy holders and accredited intermediaries are entitled to attend General Meetings on presentation of proof of their identity and eligibility to attend. The Board of Directors may decide to provide shareholders with personal admission cards for General Meetings and require that they be shown prior to admittance.

II - Any shareholder may, on the basis stipulated in the applicable laws and regulations, vote remotely or give proxy to another shareholder, his or her spouse or civil partner, or any other person or legal entity in order to be represented at General Meetings, by writing to the Company to request a distance voting/proxy form. Written requests for a proxy voting form must be received at the Company's registered office at least six days before the Meeting.

If a shareholder gives proxy to a person other than his or her spouse or civil partner, the proxyholder must notify the shareholder of any situation that could give rise to a conflict of interest so that the shareholder can assess the risk of the proxyholder not voting in the shareholder's best interests.

If any such situation arises, the proxyholder must notify the shareholder without delay and the shareholder will then be required to formally confirm the proxy. Failing that, the proxy will not be valid and the proxyholder must notify the Company.

Any individuals or entities other than a shareholder's spouse or civil partner that actively solicit proxies (for example, a minority shareholder or an organisation set up to defend shareholders' interests) by offering, directly or indirectly and by any method, to represent one or several shareholders, must disclose their voting policy. Said individuals or entities may also disclose their voting intentions with regard to the resolutions tabled at the Meeting. In this case, they will be required to vote in accordance with their stated intentions for all proxies received without any voting instructions.

If a proxyholder fails to comply with any of the above obligations, the represented shareholder may ask the commercial court in the jurisdiction where the Company has its registered office to ban the proxyholder from acting in this capacity at all General Meetings of the Company for a period of up to three years. The Company may file a similar application but only if the proxyholder has breached the rules governing the active solicitation of proxies.

The remote voting/proxy form must be received by the Company at least three days before the Meeting date.

The process for the return of these forms is specified by the Board of Directors in the notice of meeting.

Shareholders domiciled outside France may give proxy to an intermediary registered in accordance with the applicable legal conditions, provided the Company is informed of the proxy in writing at least five days before the date of the Meeting.

The Board of Directors may reduce or waive the time periods specified in this section II.

ARTICLE 26

In General Meetings, the conditions of quorum and majority are set by the legislation in force on the date of the General Meeting.

ARTICLE 27

The Chairman presides over the General Meeting, or in the event that he is unable to do so, the Meeting is chaired by a director appointed by the Board of Directors.

The duties of the tellers of votes are fulfilled by two shareholders representing the largest number of votes, who are present and accept such responsibilities.

The officers of the meeting (*bureau*) then appoint the Secretary of the meeting.

ARTICLE 28

The agenda of the General Meeting is drawn up by the person convening the meeting. One or more shareholders representing the percentage of the issued capital specified in the applicable laws and regulations may ask for additional items or draft resolutions to be included on the agenda. The General Meeting may not vote on any issue that is not included on the agenda and if the Meeting is held on second call, the agenda may not be changed. However, the General Meeting can always remove one or more director(s) from the Board and replace them.

ARTICLE 29

Resolutions are adopted by the number of votes prescribed in the corresponding legislation in force on the date of the Meeting.

Shareholders are entitled to one vote per share.

The Company's shares (including any bonus shares that may be allocated in connection with a share issue paid up by capitalising reserves, profits or share premiums) do not qualify for double voting rights, as allowed under Article L.225-123-3 (final paragraph) of the French Commercial Code.

ARTICLE 30

The management report prepared by the Board of Directors is read aloud at the annual Ordinary General Meeting.

The Statutory Auditor's reports are also read aloud. The Meeting rules on the special report on the agreements submitted to the Board of Directors' prior authorisation.

It approves, amends or rejects the company financial statements and the consolidated financial statements and decides on how the profit will be allocated and distributed.

It appoints, replaces and re-elects the directors and the Statutory Auditor(s).

It decides on the allocation of the directors' fees among Board members.

The annual Ordinary General Meeting deliberates on all the other proposals in the meeting agenda that do not fall within the scope of the Extraordinary General Meeting's powers.

It grants to the Board of Directors the necessary authorisations in any cases where the powers entrusted to it are insufficient.

An Ordinary General Meeting that is convened in accordance with the conditions applicable to extraordinary meetings decides on any questions submitted to it and which do not result in amending the Articles of Association.

The Extraordinary General Meeting can amend, as authorised by corporate law, any of the provisions of the Articles of Association.

ARTICLE 31

The deliberations of the General Meeting are recorded in minutes, which include the information required by the applicable legislation. The members of the meeting committee (*bureau*) prepare and sign the minutes, or the majority of members sign them. Failure to complete this formality does not, however, render the deliberations null and void.

The minutes are transcribed in a special register in accordance with the applicable legislation and signed by the officers of the meeting.

Copies or extracts of these minutes, required for legal or other purposes, are certified by the Chairman of the Board of Directors, a director acting as the Chief Executive Officer, or the Secretary of the General Meeting.

TITLE V

Company Financial Statements

ARTICLE 32

The financial year begins on 1 January and ends on 31 December of each year.

As required by the French Commercial Code, the Board of Directors at each year-end draws up the company financial statements, based on the inventory of existing assets and liabilities as of that date. It also drafts the management report. These accounting documents and the management report are made available to the Statutory Auditors in accordance with the applicable provisions and are presented to the Annual General Meeting by the Board of Directors.

The company financial statements must be prepared each year using the same presentation and valuation methods as in prior years. Any changes have to be disclosed and a description and explanation given in accordance with the French Commercial Code.

Consolidated financial statements and a Group management report are also prepared by the Board of Directors and presented to the Annual General Meeting in the event that the Company satisfies the criteria requiring it to prepare consolidated financial statements.

The General Meeting rules on the company financial statements, and where applicable, the consolidated financial statements.

TITLE VI

Appropriation of profits

ARTICLE 33

The profit or loss for the year represents the difference between total income and total expenses, including charges to and reversals from depreciation, amortisation and provisions, shown in the profit and loss account.

At least 5% of net profit for the year, less any losses brought forward from prior years, is transferred to the legal reserve, until such time as the legal reserve represents one tenth of the share capital.

Profit available for distribution consists of profit for the year, less any losses carried forward from prior years and any amounts transferred to the legal reserve as provided for above, plus retained earnings carried forward from prior years.

Total profit available for distribution is appropriated as follows:

- to provident reserves or any other reserves, by decision of the Annual General Meeting;
- to dividends payable to shareholders.

Any unappropriated balance is carried forward to the next year.

As from the dividend payment date, each Withholding Tax Shareholder shall be deemed to owe the Company an amount equal to the withholding tax payable by the Company on that shareholder's dividend.

Dividend payments to such shareholders will be recorded on the dividend payment date in a non-interest bearing current account set up in the name of the shareholder. The sum recorded in the current account will be paid to the Withholding Tax Shareholder within [five] business days, after deducting the amount due by the Withholding Tax Shareholder to the Company to reimburse the withholding tax payable as described above.

ARTICLE 34

Dividends are paid annually during the time periods and at the places determined by the General Meeting or, failing this, by the Board of Directors.

The Ordinary General Meeting called to approve the financial statements for the year may offer each shareholder, for all or part of the dividend distributed, the choice between payment of the dividend in cash or in shares issued by the Company as an increase in its share capital. However, each Withholding Tax Shareholder will receive at least part of each dividend payment in cash through its individual current account in order to ensure that the sum to be reimbursed by the shareholder to the Company in accordance with Article 33 of the Articles of Association can be deducted from the cash dividend.

In accordance with the applicable legal provisions, the Ordinary General Meeting is authorised to set the amount of the capital increase as well as any additional terms and conditions relating to the new shares. It is also authorised to amend the provisions of the Articles of Association regarding the amount of share capital and the number of shares comprising it. Such powers may be delegated to the Board of Directors.

In accordance with the applicable legal provisions, the Board of Directors may authorise during the year the distribution of an interim dividend for such year.

With the exception of capital reductions, no distributions may be made to shareholders where the Company's equity is or will become, as a result of such distribution, less than the share capital, increased by those reserves which the law does not allow to be distributed.

TITLE VII

Winding up – Liquidation

ARTICLE 35

When the Company's term expires or if it is wound up prematurely, the Ordinary General Meeting, acting on the Board of Directors' recommendations, determines how it will be liquidated and appoints one or more liquidators.

Pursuant to a decision made by the General Meeting, the liquidators may transfer the wound-up Company's rights, shares and bonds to another company.

The powers of the General Meeting remain the same during the liquidation procedure as they were during the Company's existence.

In particular, the General Meeting is authorised to approve the liquidation accounts and grant the liquidators discharge for their assignment.

The winding up of the Company terminates the Board of Directors' powers; however, the Statutory Auditors' term of office and powers are maintained.

Once the Company's liabilities and commitments have been settled, the net proceeds of the liquidation are first used to fully redeem the share capital. Where this redemption has not taken place, the surplus is distributed among all the shares.

ARTICLE 36

All disputes arising between the shareholders and the Company, the directors and the Company or among the shareholders themselves concerning the Company's business, whether during the Company's existence or liquidation, shall be settled in accordance with the law and subject to the jurisdiction of the competent court.

TITLE VIII

Formalities

ARTICLE 37

To file these Articles of Association wherever it is necessary, full powers are given to the holder of a certified copy or extract hereof.