

SCI Champs Elysees
Civil company with a capital of 1 600 Euros
Registered office : 24 rue de MADRID 75008 PARIS

DRAFT OF SIMPLIFIED ARTICLES OF ASSOCIATION

The undersigned :

FULL IDENTITY OF THE PARTNERS

Have hereby established the articles of association of a civil partnership among them and any other person who would become partner in the future.

ARTICLE 1 - FORM

The undersigned hereby form a civil partnership between the owners of the shares hereinafter created. The partnership is governed by the provisions of the Title IX Book III of the French Civil Code and by the articles of incorporation hereby.

ARTICLE 2 - PURPOSE

The purpose of the company is to acquire a real estate property located in Paris, to rent it or to leave it at the **free disposal of the partners or their families.**

ARTICLE 3 – CORPORATE NAME

The name of the company shall be: SCI CHAMPS ELYSEES

ARTICLE 4 – REGISTERED OFFICE

The registered office shall be located at:

C/O Me MICHAUD
24 RUE DE MADRID 75008 PARIS.

ARTICLE 5 - TERM

The term of the company is 99 years, from the date of the registration

ARTICLE 6 – CONTRIBUTIONS

The shareholders have subscribed to the following contributions:

Mr X, the amount of ----- --- euros
Mrs, his wife, the amount of ----- euros
Mr, his son, the amount of ----- -- euros
Ms, his daughter, the amount of ----- - -- euros

ARTICLE 7 - CAPITAL

The capital is fixed at 1.500 euros. It is divided into 150 shares of 10 Euros each, allocated to the shareholders as follows:

X shares allocated to Mrs,
Y shares allocated to Mr,
Z shares allocated to Mr,
V shares allocated to Ms

Total equal to the number of shares created: 150 shares.

ARTICLE 8 – INCREASE AND REDUCTION IN CAPITAL

1. The capital may be increased upon a shareholder's resolution taken in an extraordinary meeting creating new shares
2. The capital may also be reduced by a shareholder's resolution taken in an extraordinary meeting,

ARTICLE 9 – REPRESENTATION OF THE SHARES OF CAPITAL

The shares shall not be represented by marketable securities. or bearer shares The rights of each partner shall be only justified by the hereby bylaws.

A copy of said bylaws, certified by the manager shall be delivered to each shareholder upon request.

ARTICLE 10 – RIGHTS AND LIABILITIES ATTACHED TO THE SHARES

1- Rights on the profit

Each share gives its owner an equal right to the benefits of the company and to the whole corporate asset.

Vis a vis third parties, the shareholders shall be responsible for the corporate liabilities in proportion of the number of shares they own upon the date of payability or on the date of the cessation of payments.

The company creditors shall not seek payment for any company debt against a shareholder unless formal notice was addressed to the said Company revealed unsuccessful.

2 – Right of communication and of intervention in the corporate life

Besides the right to annual information at the approval of the accounts, hereinafter

targeted, the shareholders shall have the right to obtain, at least once a year, communication of the books and of the corporate documents.

Each shareholder can take part in the collective decisions and has the right to vote, subject to the conditions hereinafter specified.
Each share gives the right to a vote.

ARTICLE 11 – OWNERSHIP OF A SHARE

Each share can only have one owner vis a vis the Company

ARTICLE 12 – COMPANY ACCOUNTS

Besides their contributions, the shareholders pay or leave at the Company's disposal any amount it may need. The said amounts shall be posted to the credit of an current account opened at the name of the shareholder.

The maximum amount of the said sums, the conditions under which they are repaid, the interests setting are provided for by agreement between the management and the interested.

ARTICLE 13 – TRANSFER OF SHARES

1 – Transfert by sale

The sale of shares shall be made by public deed or by private transfer agreement
It must be registered

The transfer of shares can only be made with the consent given in compliance with the hereinafter conditions,

The consent is obtained by resolution of the shareholders taken unanimously.

2 – Transfer by death

a) Death of a shareholder.

Among the death of a shareholder, the Company shall remain in existence and shall be carried on by right among the heirs and legatees of the deceased shareholder with no need of any consent on the part of the shareholders.

The law (Coranic law) of the State of the residence of the deceased shareholder shall be applicable to the transmission of the estate.

b) Donation -

The shares shall be freely transferable by way of donation.
The law (Coranic law) of the State of the residence of the donor shall be applicable

ARTICLE 14 – WITHDRAWAL OF A SHAREHOLDER

Without prejudice to thirds' rights, the withdrawal of a shareholder shall be authorized by the community of the shareholders, voting under the same majority conditions required for extraordinary resolutions. The withdrawal may be authorized by judicial decision for just cause.

The request for withdrawal shall be notified to the Company and to the shareholders by recorded delivery letter.

The withdrawing shareholder shall be entitled to the reimbursement of the value of his shares, determined, for lack of an amicable agreement, by an expert designated in compliance with article 1843-4 of the Civil Code, after deduction of the debts and of the reimbursement of his current account.

ARTICLE 15 - PLEDGE

The shares may be pledged by an official deed or by a simple agreement notified to the Company or accepted by the Company in an official deed.

ARTICLE 16 - MANAGEMENT

1 - Designation - Resignation - Removal

The Company shall be administered by one or several manager(s), shareholders or not, natural or legal entities, designated for a determined term or not, by a collective decision of the shareholders representing more than half the shares.

The shareholders can give an anticipated term to the manager's mandate, by collective decision of the shareholders representing more than half the shares.

The removal can also occur by judicial decision for just cause.

Any manager removed with no legitimate reason is entitled to damages.

The designation and the termination of the manager's tasks shall be published in compliance with the legal and statutory provisions.

2 - Powers

With regard to shareholders' relationship, the management is entitled to do any act of management required by the interest of the Company.

Nevertheless, the management shall not without prior authorization of the shareholders, purchase, sell or exchange any real estate property, contract loan under the name of the

Company

With regard to relationship with third party, the management commits the Company by the acts included in the corporate purpose.

3 - Liability

Each manager is individually liable towards the Company and towards third party, for violation of statutes and regulations, or for the violation of the articles of incorporation, or for wrongs committed in his management.

ARTICLE 17 – Partner s meeting

1 - Nature - Majority

The shareholders' meetings are either ordinary or extraordinary.

a) Is of extraordinary nature, any resolution bearing the modification of the bylaws as well as the one for which it is expressly required hereby. The extraordinary general meeting can notably decide on:

- the increase or the reduction of capital;
- the dissolution of the Company;

The extraordinary resolutions shall, in order to be valid, be adopted by several shareholders representing at least three fourth of the capital.

b) Is of ordinary nature, any resolution which does not fall within the scope of the extraordinary resolutions, notably :

- the resolution applicable to the allocation and the distribution of the profits.

Ordinary resolutions shall, in order to be valid, be adopted by one or several shareholder representing more than half the capital.

It is presided by the manager or the oldest partner

Each shareholder enjoys a number of votes equal to the number of shares he has.

The minutes of the meeting are recorded in a special register and signed by the president and one partner.

ARTICLE 18 - FISCAL YEAR - ACCOUNTS

Each fiscal year shall last one year. It shall begin on January 1 and end on December 31 of each year.

The revenues and expenses are recorded in a day-book in that book.

A complete statement of the loans is up-dated, recording all the details on the securities accompanying the loans and the statement of the reimbursement.

The free disposal of the residence by a partner or his family shall not be considered as a deemed income

The partner who has the free disposal of the property shall pay the costs incurred by his occupation .

The difference between the expenses and the revenues amounts to the profit or the loss for the period.

At least once a year, the manager shall present his management to the shareholders. And deliverd them a written report on the Company's activity . The said report shall indicate the profits and the losses suffered .

ARTICLE 19 - ALLOCATION AND DISTRIBUTION OF PROFITS

The net profit of the fiscal year is determined, for each year, after deduction of the general expenses of the Company,

The said profit shall be distributed among the shareholders, in proportion with the shares owned by each

Nevertheless, the shareholders may decide that the benefit shall be record as retained earnings

The losses, if any, after compensation with the non distributed benefits or with the reserves, shall be supported by the shareholders, in proportion with the number of shares owned by each.

ARTICLE 20 - DISSOLUTION

1. The Company ends with the term provided in the bylaws , or for any other reason provided for by the article 1844-7 of the Civil Code, and notably by the prior dissolution decided by the shareholders, at the majority provided for in the by laws modifications.

ARTICLE 21 - LIQUIDATION

The dissolution of the Company does not entails its liquidation. The legal entity shall survive for the needs of the liquidation until the publication of the closing of the liquidation.

ARTICLE 22 - DISPUTES

Where there are several shareholders, any dispute, between shareholders or between the Company and the shareholders, which may arise during the term of the Company or on its liquidation, shall be settled by the competent court of the State in which the shareholders have their residence.

ARTICLE 23 - PUBLICATION - POWER

The Company shall enjoy legal entity upon its registration at the register of Commerce and Companies.