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RECUEIL DES SOCIETES ET ASSOCIATIONS

Le présent recueil contient les publications prévues par la loi modifiée du 10 août 1915 concernant les sociétés commerciales et par loi modifiée du 21 avril 1928 sur les associations et les fondations sans but lucratif.

C — N° 809 **29 octobre 1999**

SOMMAIRE

AMETHYST INVESTMENT S.A., Société Anonyme.

Siège social: L-2613 Luxembourg, 5, place du Théâtre.
R. C. Luxembourg B 40.672.

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EXTRAIT

Il résulte de l'Assemblée Générale des actionnaires tenue à Luxembourg en date du 20 juillet 1999 que le siège social de la Société a été transféré au 5, place du Théâtre, L-2613 Luxembourg.

Pour mention aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Luxembourg, le 17 août 1999.

Pour la Société
Signature
Un mandataire

Enregistré à Luxembourg, le 18 août 1999, vol. 527, fol. 79, case 5. – Reçu 500 francs.

Le Receveur (signé): J. Muller.

(39494/000/15) Déposé au registre de commerce et des sociétés de Luxembourg, le 20 août 1999.

ProLogis EUROPEAN PROPERTIES FUND, Fonds Commun de Placement.

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MANAGEMENT REGULATIONS

Interpretation

In these Management Regulations, the following expressions shall, where not inconsistent with the context, have the following meanings respectively:

* «1988 Law» means the Luxembourg law of 30 March, 1988, on Undertakings for Collective Investments.

* «90 Per Cent. Let» means when the actual rental income of a Distribution Facility as determined by the Management Company is 90 per cent. of the sum of (i) such actual rental income and (ii) the estimated net annual open market rental value of the unlet space in such Distribution Facility, as determined by the Independent Appraiser in accordance with the Independent Appraisal Methodology.

* «Article» means an article of these Management Regulations.

* «Business Day» means a day on which banks are open for business in Luxembourg (excluding Saturdays, Sundays and public holidays).

* «Capitalised Development Cost» means capitalised development cost of a Distribution Facility determined in accordance with U.S. generally accepted accounting principles.

* «Class» means a class of Units issued by the Fund, and includes each of the Class A Units, Class B1 Units, Class B2 Units and Class C Units, and any further Classes of Units issued by the Fund.

* «Class A Units» means the Class A Units issued pursuant to Article 9.

* «Class A(1) Initial Funding Date» means the date of issue and initial drawdown of the Class A(1) Units, which date is expected to be no later than 31 December 1999.

* «Class A(1)/Class C(1) Subscription Agreements» means the subscription agreements relating to the Class A(1) Units and/or the Class C(1) Units, accepted by the Management Company as of or prior to the First Closing Date or in the case of Class A(1) Units a later date prior to the Class A(1) Initial Funding Date, as the case may be, and «Class A(1)/Class C(1) Subscription Agreement» means any one of them.

* «Class A(1) Units» means the first series of Class A Units issued pursuant to Article 9.

* «Class A Unitholder» means a holder of Class A Units.

* «Class B1 Subscription Agreement» means the subscription agreement relating to the partial payment for cash of the Class B1 Units issued under the Existing Property Contribution Agreement accepted by the Management Company as of the First Closing Date, in an amount equal to the portion of or prior to the aggregate issue price of the Class B1 Units which is not attributable to the contribution of the shares in ProLogis MASTER, S.à r.l., and the Initial S.à r.l.'s which amount shall be approximately € 118 million.

* «Class B1 Units» means the Class B1 Units issued pursuant to Article 9.

* «Class B1 Unitholder» means ProLogis INTERNATIONAL or any other holder of Class B1 Units to which ProLogis International has transferred its Class B1 Units in compliance with the provisions of Article 14.

* «Class B2 Units» means the Class B2 Units issued pursuant to Article 9.

* «Class B2 Unitholder» means a ProLogis Party or any other holder of Class B2 Units to which a ProLogis PARTY has transferred its Class B2 Units in compliance with the provisions of Article 14.

* «Class C Units» means Class C Units issued pursuant to Article 9.

* «Class C(1) Units» means the first series of Class C Units issued pursuant to Article 9.

* «Class C Unitholder» means a holder of Class C Units.

* «Closing» means the date (or dates) determined by the Management Company on or prior to which subscription agreements in relation to the issuance of Class A and Class C Units (or issuance of any Series thereof) or any other class of Units issued pursuant to these Management Regulations have to be received and accepted by the Management Company.

* «Contributed Portfolio» means the portfolio of Distribution Facilities to be contributed to the Fund pursuant to the Existing Property Contribution Agreement.

* «Contribution Amount» means the contribution amount as determined under the Stabilised Property Contribution Agreement in respect of a Distribution Facility.

* «Control» means the power to direct the management of an entity through voting rights, ownership or contractual obligations; «Controlled» shall have a correlative meaning.

* «Correspondent» means the correspondent as described in Article 3.

* «Custodian» means BANQUE INTERNATIONALE A LUXEMBOURG or such other custodian from time to time appointed by the Management Company.

* «Defaulted Units» means those Units held by a Defaulting Unitholder.

* «Defaulting Unitholder» means a Unitholder who has defaulted in payment of any portion of its subscription commitment on the date required by the Management Company and who has been declared a Defaulting Unitholder by the Management Company pursuant to Article 9.

* «Discount OMV» means 95 % of the OMV of a Distribution Facility.

* «Distributable Cash Flow» means, subject as prescribed in Article 7, gross revenues from properties plus deposit interest income, less (i) operating expenses (including corporate expenses, annual net asset tax and standard re-letting costs) in running the Fund, (ii) non-revenue generating capital expenditures (including roof repairs, structural repairs, landscaping and other similar expenditures), (iii) base management fee, (iv) interest payment on debt, (v) taxes on income and gains and (vi) periodic contributions to a contingency reserve, such reserve not to exceed € 5 million in aggregate at any given time.

* «Distribution Facilities» means any distribution facility or distribution facilities.

* «Distribution Formula» means the distribution formula set out in Article 18 and Part I of the Schedule.

* «Euro» or «€» means the currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

* «Europe» means Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Czech Republic, The Netherlands, Poland, Portugal, Spain, Sweden and the United Kingdom.

* «Excess Net Assets» means the excess net assets of (i) the Initial S.à r.l.'s; and (ii) ProLogis MASTER, S.à r.l., calculated in accordance with the terms of the Existing Property Contribution Agreement;

* «Existing Property Contribution Agreement» means the existing property contribution agreement between the Management Company for and on behalf of the Fund, ProLogis INTERNATIONAL, ProLogis FRANCE DEVELOPMENTS INCORPORATED, ProLogis, S.à r.l., the Initial S.à r.l.'s and ProLogis MASTER, S.à r.l., which shall be entered into on and dated as at the First Closing Date.

* «Expenses» means all recurring and non-recoverable operating expenses relating to a Distribution Facility, including, without limitation, common area expenses, insurance expenses and property taxes, but excluding depreciation and amortisation, for the first full year after the first due rental payment date.

* «First Closing Date» means the first Closing determined by the Management Company for both the Class A(1) Units and Class C(1) Units.

* «French 3 % Tax» means any taxation arising under Article 990D of the French Tax Code (as amended, supplemented or replaced from time to time).

* «Fund» means ProLogis EUROPEAN PROPERTIES FUND, a fonds commun de placement, established under the 1988 Law pursuant to these Management Regulations and such term shall, where the context so requires, include all companies or other entities which are wholly owned or partially owned as to more than 50 % directly or indirectly by ProLogis EUROPEAN PROPERTIES FUND.

* «Gross Rental Income» means, with respect to any Distribution Facility, all income from such Distribution Facility, including, without limitation, rental income, rental income attributed to vacant space and ancillary income for the first full year after the first due rental payment date.

* «Independent Appraisal Methodology» means the methodology applied by the Independent Appraiser to determine OMV, which is based on the Royal Institution of Chartered Surveyors' «Appraisal and Valuation Manual», and in particular with the Practice Statements thereof. A summary of this methodology is set out in Appendix G to the Private Placement Memorandum.

* «Independent Appraiser» has the meaning set out in Article 11.

* «Independent Member means a member of the UAC who is an individual that is not affiliated or otherwise connected with ProLogis or any ProLogis-Related Party, or any officer, director, manager, employee, or agent thereof.

* «Initial, S.à r.l.'s» means ProLogis NETHERLANDS II, S.à r.l., ProLogis NETHERLANDS, S.à r.l., and ProLogis FRANCE IV, S.à r.l.

* «Invested Capital» means in respect of each Class of Units (or any Series thereof) the respective paid-up contributions at any point in time of the initial issue price in relation to such Class of Units (or such Series thereof).

* «Investment and Operating Criteria» means the investment and operating criteria set out in the Private Placement Memorandum (as amended from time to time in accordance with these Management Regulations).

* «Investment Managers» means collectively the investment managers appointed by the Management Company and Prologis MASTER, S.à r.l., pursuant to the Investment Management Agreement, being ProLogis B.V., ProLogis POLAND MANAGEMENT Sp.z.oo, GARONOR SERVICES and the other investment managers acceding from time to time to the Investment Management Agreement.

* «Investment Management Agreement» means the investment management agreement between the Management Company, ProLogis MASTER, S.à r.l., and the Investment Managers which shall be entered into on and dated as at the First Closing Date.

* «Investment Objective and Policy» means the investment objective and policy of the Fund as described in the Private Placement Memorandum and in Article 6.

* «IPO» means an initial public offering and listing of the Class A(1) Units or any IPO Shares on a major European stock exchange in compliance with Article 10.

* «IPO Shares» means any fully-paid security which supersedes the Class A(1) Units, including an equity security of a suitable vehicle into which the Fund is reorganised.

* «Management Company» means ProLogis MANAGEMENT, S.à r.l., a wholly-owned indirect subsidiary of ProLogis or such successor management company that may be appointed under these Management Regulations.

* «Management Regulations» means these management regulations as amended from time to time in accordance with these management regulations.

* «Managers» means the managers of the Management Company.

* «Members» means, collectively, the ProLogis Members and the Independent Members.

* «Minimum Net Operating Income Yield» means the Minimum Net Operating Income Yield applicable under the Investment and Operating Criteria to a Distribution Facility.

* «NAV» means the net asset value per Unit of each Class (or Series thereof) as determined in accordance with Article 11.

* «Net Operating Income» means, with respect to a Distribution Facility, Gross Rental Income less Expenses.

* «Net Operating Income Yield» means the Net Operating Income divided by the Discount OMV.

«Non-Exempt Unitholder» means an entity who owns, directly or indirectly, Units and who is not exempt from the French 3 % Tax.

* «Non-Stabilised Distribution Facilities» means any Distribution Facilities which do not qualify as Stabilised Distribution Facilities at the time of acquisition by the Fund.

* «OMV» or «Open Market Value» means the gross open market value of a Distribution Facility as determined by the Independent Appraiser in accordance with the Independent Appraisal Methodology. For the avoidance of doubt, the Independent Appraiser shall not at any time make any allowances for transfer taxes, legal fees, registration fees or other similar or ancillary items associated with the transfer of the Distribution Facility except in certain cases where there is an adverse change in legislation regarding the level of transfer taxes and/or the circumstances under which they are payable, as set out more fully in the Stabilised Property Contribution Agreement.

* «Original Issue Price» means the initial issue price of the Class A (1) Units, being € 10 per Unit (which initial issue price is the same as that of the Class B1 Units, the Class B2(1) Units and the Class C(1) Units) or, in the event that part of the initial issue price is cancelled pursuant to Article 9, means the Invested Capital of such Class A(1) Units at the time of cancellation.

* «Original Term» has the meaning set out in Article 4.

* «Placement Agent Agreement» means the placement agent agreement among ProLogis, the Management Company and the Placement Agents dated as of the date of adaption of these Management Regulations.

* «Placement Agents» means MORGAN STANLEY & CO. INTERNATIONAL LIMITED, SECURITY CAPITAL MARKETS GROUP LIMITED and SECURITY CAPITAL MARKETS GROUP INCORPORATED.

* «Portfolio» means the Distribution Facilities and such other assets and rights from time to time held directly or indirectly by the Fund in accordance with these Management Regulations and the Private Placement Memorandum.

* «Preferred Units» means Units that provide to holders a preferred cash distribution and a preferred reimbursement of Invested Capital (or such other amounts as specified by the Management Company on the issue thereof) upon a winding-up of the Fund, and includes the Class C Units.

* «Private Placement Memorandum» means the private placement memorandum dated 10 September 1999 in connection with the initial placement of Class A(1) Units and Class C(1) Units and subsequent placement memoranda for the placement of Units in the Fund issued from time to time.

* «ProLogis» means ProLogis TRUST, a real estate investment trust organised in the State of Maryland, United States of America.

* «ProLogis Development» means ProLogis DEVELOPMENTS, S.à r.l., a wholly-owned indirect subsidiary of ProLogis.

* «ProLogis France IV, S.à r.l.» means ProLogis FRANCE IV, S.à r.l., a société à responsabilité limitée established under the laws of Luxembourg.

* «ProLogis INTERNATIONAL» means PLD INTERNATIONAL Incorporated, an indirect wholly-owned subsidiary of ProLogis.

* «ProLogis MASTER, S.à r.l.» means ProLogis EUROPEAN PROPERTIES, S.à r.l., a société à responsabilité limitée established under the Luxembourg law of July 1991 concerning undertakings for collective investment the securities of which are not intended to be placed with the public incorporated on 8 August 1997 in the form of a société en commandite par actions and which will be converted into a société à responsabilité limitée on or prior to 14 September 1999.

* «ProLogis Member» means a member of the UAC who is an individual that is affiliated or otherwise connected with ProLogis or any ProLogis Related Party, or any officer, director, manager, employee or agent thereof.

* «ProLogis NETHERLANDS II, S.à r.l.» means ProLogis NETHERLANDS II, S.à r.l., a société à responsabilité limitée established under the laws of Luxembourg.

* «ProLogis NETHERLANDS, S.à r.l.» means ProLogis NETHERLANDS, S.à r.l., a société à responsabiité limitée established under the laws of Luxembourg.

* «ProLogis Parties» means collectively ProLogis DEVELOPMENT, ProLogis FRANCE DEVELOPMENTS INCORPORATED AND KINGSPARK HOLDINGS S.A. and a «ProLogis Party» means any one of them.

* «ProLogis related Party» means (a) an entity that directly or indirectly is controlled by ProLogis or (b) an entity at least 35 % of whose economic interest is owned directly or indirectly by ProLogis; for the avoidance of doubt, the Fund shall not be a ProLogis Related Party.

* «ProLogis, S.à r.l.» means ProLogis, S.à r.l., a société à responsabilité limitée established under the laws of Luxembourg.

* «Regulated Market» means a market operating regularly which is marketed and open to the public.

* «Representative Independent Member» has the meaning set out in Article 4.

* «Represented Unitholder» has the meaning set out in Article 4.

* «Residual Value» means the total net proceeds (taking into account any distributions in specie) resulting from a winding-up of all Fund assets after repayment of all creditors.

* «Series» means a series of Units within a particular Class of Units.

* «Schedule» means the schedule to these Management Regulations in which the Management Company sets out certain terms of issue of each Class of Units (or Series thereof) prior to issue.

* «Stabilised» has the meaning set out in Article 8.

* «Stabilised Property Contribution Agreement» means the stabilised property contribution agreement between the Management Company for and on behalf of ProLogis EUROPEAN PROPERTIES FUND and ProLogis Parties which shall be entered into on and dated as at the First Closing Date.

* «Target Markets» means target markets in Europe defined in the Investment and Operating Criteria and illustrated in Appendix F of the Private Placement Memorandum.

* Tax Indemnity» means the tax indemnity dated at the First Closing Date between ProLogis INTERNATIONAL and the Management Company which relates to the Contributed Portfolio.

* «Unitholder Advisory Committee» or «UAC» has the meaning set out in Article 4.

* «Unitholders» means the holders of Units.

* «Units» means co-ownership participations in the Fund which may be issued in different Classes or Series by the Management Company pursuant to these Management Regulations, including, but not limited to, the Class A Units (which shall be issued in Series commencing with Class A(1) Units, Class A(2) Units and so on), Class B1 Units, Class B2 Units (which shall be issued in Series commencing with Class C2(1) Units, Class B2(2) Units and so on), Class C Units and Class C(1) Units.

* «Valuation Day» means any business day in Luxembourg which is designated by the Management Company as being a day by reference to which the assets of the Fund shall be valued in accordance with Article 11, provided that there shall be at least semi-annual Valuation Days and the first Valuation Day shall be 31 December 1999 and provided further that the Management Company shall not designate Valuation Days more frequently than semi-annually unless there shall have been a material change in the value of the Portfolio since the last semi-annual Valuation Day or unless otherwise required by Luxembourg law.

Art. 1. The Fund

ProLogis EUROPEAN PROPERTIES FUND, which has been organised under the sponsorship of ProLogis, is an unincorporated co-proprietorship of securities and other assets, managed for the account and in the exclusive interest of its Unitholders by the Management Company. ProLogis EUROPEAN PROPERTIES FUND is, in particular, subject to Part II of the 1988 Law. The assets of the Fund, which are held in custody by a custodian bank (hereafter referred to as the «Custodian») shall be segregated from those of the Management Company.

By the acquisition of Units of any Class (or any Series thereof) in ProLogis EUROPEAN PROPERTIES FUND, a Unitholder is deemed to have fully accepted these Management Regulations, which determine the contractual relationship both among the Unitholders and among the Unitholders, the Management Company, ProLogis and the Custodian.

Art. 2. The Management Company

The Management Company is a company incorporated on 6 July 1999 as a société à responsabilité limitée under the laws of Luxembourg with an unlimited duration and having its registered office at 25B, boulevard Royal, L-2449 Luxembourg.

The Management Company or its designees has the exclusive right to manage the Fund and is vested with the broadest powers to administer and manage the Fund, subject to the restrictions set forth in these Management Regulations, including, without limitation, Articles 4, 6, 7, 8, 10 and 23 , in the name and on behalf of the Unitholders, including but not limited to, the purchase, sale, and receipt of those real estate investments specified in Article 6 and of securities and the exercise of all the rights attaching directly or indirectly to the assets of the Fund. The activities of the Management Company shall be limited to the administration and management of the Fund and the Management Company shall not administer or manage any other investment fund or company.

The fees paid by the Fund to the Management Company or its designee are described in Article 16.

The Management Company is responsible for implementing the Investment Objective and Policy of the Fund subject to the restrictions set out in Articles 6 and 7. The Management Company shall manage the Portfolio prudently with the same degree of care as would be expected of an absolute owner having particular regard to the quality and financial standing of the tenants and the length of the lease terms.

The Management Company shall appoint, without prejudice to its ultimate responsibility for these functions and subject to any limitations under the laws of Luxembourg, the Investment Managers, the duties of which are described in Article 5. The Managers shall discharge the duties of the Management Company. The Management Company shall be liable for the acts or omissions of the Investment Managers, the Managers and any other agents it shall appoint to perform the Management Company's functions under these Management Regulations and in respect of decisions approved by the UAC as if such acts or omissions were those of the Management Company itself.

The Management Company may appoint such other agents, including transfer agents and one or several paying agents, to perform such services in connection with its obligations under these Management Regulations as the Management Company deems necessary or convenient for the performance of its duties hereunder, subject to any limitations under the laws of Luxembourg or contained herein, on such terms and conditions as are reasonable under the circumstances.

The Management Company may only be terminated as prescribed in Article 20. The Management Company shall not terminate the Fund within 10 years following the First Closing Date, except with the consent of Unitholders, as set forth in Article 23.2.

Upon any internalisation of management made pursuant to Article 4 and occurring on an IPO approved pursuant to Article 4 and Article 10 where the Fund (rather than a successor vehicle) continues in existence, subject to regulatory approval, ProLogis and any ProLogis Related Party of ProLogis shall seek to adjust the ownership of the Management Company to reflect the ownership of the Fund on such internalisation, which adjustment may include, without limitation, a distribution of shares in the Management Company to non-ProLogis related Unitholders.

The Management Company shall comply with its obligations contained in the Private Placement Memorandum.

ProLogis for itself and as agent for each ProLogis Related Party shall execute these Management Regulations and shall comply (and shall procure that each ProLogis Related Party shall comply) with the obligations specified in these Management Regulations for it and a ProLogis Related Party.

Art. 3. The Custodian and other Agents

BANQUE INTERNATIONALE A LUXEMBOURG shall be appointed on the First Closing Date as Custodian of the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries. BANQUE INTERNATIONALE A LUXEMBOURG has its principal office at 69, route d'Esch, L-1470 Luxembourg and may exercise any banking activities in Luxembourg. The Custodian shall carry out the usual duties regarding custody, cash and securities deposits. In particular, upon proper instructions of the Management Company, the Custodian will execute all financial transactions and provide such banking facilities for ProLogis European Properties Fund and its wholly owned subsidiaries as the Management Company may require.

The Custodian will further, in accordance with the 1988 Law:

(a) ensure that the sale, issue, redemption and cancellation of Units effected on behalf of ProLogis EUROPEAN PROPERTIES FUND are carried out in accordance with the 1988 Law and these Management Regulations;

(b) carry out the instructions of the Management Company, unless they conflict with the 1988 Law, any other applicable law or these Management Regulations;

(c) ensure that in transactions involving the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries any consideration is remitted to it within the usual time limits in respect of the specified assets; and

(d) ensure that the income and assets attributable to ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries are applied in accordance with these Management Regulations.

The Custodian may entrust the safekeeping of all or part of the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries, in particular securities traded abroad or listed on a foreign stock exchange or admitted to recognised clearing systems such as CEDEL, to such clearing systems or to any bank or trust company or recognised clearing agency (a «Correspondent») provided however that cash of wholly-owned subsidiaries may be held with the prior approval of the Custodian by such banks as may be indicated by the Management Company and provided further that the Management Company shall ensure that such banks forward any information to the Custodian necessary to enable it to properly execute its supervisory functions. The Custodian's liability in relation to its duties of supervision shall not be affected by the fact that it has entrusted the safekeeping of all or part of the assets in its care to a third party.

The rights and duties of BANQUE INTERNATIONALE A LUXEMBOURG as Custodian are governed by an agreement entered into on the date of adoption of these Management Regulations for an unlimited period of time, which may be terminated at any time by the Management Company or the Custodian upon 90 days' prior written notice, provided, however, that such termination by the Management Company is subject to the condition that a new custodian assumes within two months the responsibilities and functions of the Custodian under these Management Regulations and provided, further, that the appointment of the Custodian shall, if terminated by the Management Company, continue thereafter for such period as may be necessary to allow for the complete transfer of all assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries held by the Custodian to the new custodian. In case of termination by the Custodian, the Management Company shall appoint a new custodian who shall assume the responsibilities and functions of the Custodian under these Management Regulations, provided that the Custodian's termination shall not become effective pending (i) the appointment of a new custodian by the Management Company, and (ii) the complete transfer of all assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries held by the Custodian to the new custodian.

All cash other than cash deposited with such banks as may be indicated by the Management Company to the Custodian and other securities constituting the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries shall be held by the Custodian on behalf of the Unitholders on the terms of these Management Regulations. The Custodian may, under its own responsibility and with the approval of the Management Company, entrust any Correspondent with the custody of such cash and securities as are not listed on the Luxembourg Stock Exchange or currently traded in Luxembourg. Registrable assets (excluding real estate property) of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries will be registered in the name of the Custodian or the Correspondent or the nominee of either or in the name of a recognised clearing agency. The Custodian and Correspondent will have the normal duties of a bank with respect to the deposits of cash and securities of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries. The Custodian and the Correspondent and such other banks as may be indicated by the Management Company with the prior approval of the Custodian may dispose of the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries and make payments to third parties on behalf of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries only upon receipt of proper instructions from or as previously properly instructed by the Management Company or any agent appointed by the Management Company. Upon receipt of proper instructions from or as previously properly instructed by the Management Company, the Custodian and the Correspondent and such other banks as indicated by the Management Company with the prior approval of the Custodian will perform all acts of disposal with respect to the assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries.

Subject to Luxembourg law, the Custodian is authorised and has the obligation in its own name to:

(a) protect the assets of the Fund and its wholly-owned subsidiaries against any claims of third parties;

(b) assert the rights of the Unitholders against the Management Company or against a former custodian; and

(c) take action against enforcement measures of third parties if ProLogis EUROPEAN PROPERTIES FUND or its wholly-owned subsidiaries is not liable to such parties.

Subject to Luxembourg law, the Management Company is authorised and has the obligation to bring in its own name, claims of the Unitholders against the Custodian.

Nothing in this Article 3 shall preclude the direct assertion of claims from Unitholders against the Custodian or the Management Company respectively to the extent that such action is permitted by Luxembourg law.

The Custodian shall be entitled, out of the net assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries to such fees as shall be determined from time to time by agreement between the Management Company and the Custodian provided that fees for services performed in Luxembourg are comparable with those charged by other banks in Luxembourg for the provision of similar services. In addition to the above fees, the Custodian shall be reimbursed by ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries for all reasonable out of pocket expenses. Any Correspondent (other than affiliates of the Custodian) and such other banks as indicated by the Management Company with the prior approval of the Custodian shall be entitled to such fees out of the net assets of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries as shall be determined from time to time with the agreement of the Management Company provided that fees for the provision of services of Correspondents are comparable with those charged by other banks or trust companies in the jurisdictions in which such Correspondent or other banks operate. BANQUE INTERNATIONALE A LUXEMBOURG shall be appointed on the First Closing Date to act as administrative, listing and paying agent (the «Administrative, Listing and Paying Agent») of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries organised in Luxembourg. In such capacity, it will be responsible for all administrative, listing and paying agent duties under Luxembourg law, and in particular, assisting the Management Company in the calculation of NAV under Article 11, for paying dividends, redemption proceeds and other distributions and arranging for the listing of any Units on the Luxembourg Stock Exchange and on any other stock exchanges as directed by the Management Company. In addition, the Administrative, Listing and Paying Agent shall perform registrar and transfer agent functions for ProLogis MASTER, S.à r.l. and its wholly-owned subsidiaries organised in Luxembourg.

SECURITY CAPITAL EUROPEAN SERVICES S.A. shall be appointed on the First Closing Date to act as domiciliary and service agent (the «Domiciliary and Service Agent») of ProLogis EUROPEAN PROPERTIES FUND and its wholly-owned subsidiaries organised in Luxembourg. In such capacity, it will be responsible for all domiciliary and service agent duties required by Luxembourg law. In addition, the Domiciliary and Service Agent shall perform such domiciliary and service agency duties for ProLogis MASTER, S.à r.l. and its wholly-owned subsidiaries organised in Luxembourg.

First European transfer Agent shall be appointed on the First Closing Date to act as the registrar and transfer agent (the «Registrar and Transfer Agent») of ProLogis EUROPEAN PROPERTIES FUND. In such capacity, it will be responsible for handling the processing of subscriptions for Units in ProLogis EUROPEAN PROPERTIES FUND dealing with any transfer or redemption of Units as provided in these Management Regulations and in connection therewith accepting transfers of funds, safekeeping of the register of Unitholders of ProLogis EUROPEAN PROPERTIES FUND and providing and supervising the mailing of statements, reports, notices and other documents to the Unitholders of ProLogis EUROPEAN PROPERTIES FUND.

Art. 4. Unitholder Advisory Committee

There shall be a Unitholder Advisory Committee comprised of four Independent Members and three ProLogis Members. The ProLogis Members shall be appointed by the Management Company and their appointment and term shall be as prescribed below in this Article 4. The appointment and term of the Independent Members shall be as prescribed below in this Article 4. The UAC shall be required to approve the proposed decisions of the Managers prior to such decisions being finally adopted by the Management Company or for resolutions tabled by at least two Independent Members at meetings of the UAC, in respect of the following:

(a) any acquisitions which are exceptions to the Investment and Operating Criteria;

(b) any revisions to the Investment and Operating Criteria;

(c) any acquisition of Non-Stabilised Distribution Facilities (or shares in a company owning such Distribution Facility) subject to the 15 % limit set out in Article 6;

(d) any approval required by the Management Company under the Stabilised Property Contribution Agreement to a ProLogis Party entering into arrangements (such as Distribution Facility development joint ventures) which could result in the Fund owning less than 100 % of a Distribution Facility (or shares in a company owning such Distribution Facility) upon its contribution to the Fund. For the avoidance of doubt, no approval of the UAC shall be required for the Management Company to enter into the Existing Property Contribution Agreement (as required by Article 8) which, until it is completed in accordance with its terms, shall result in the Fund owning less than 100% of ProLogis MASTER, S.à r.l.;

(e) any acquisition of Distribution Facilities in Europe outside the Target Markets pursuant to the right of first refusal as described in Section VI «Investment and Operating Criteria-Europe Outside the Target Markets» in the Private Placement Memorandum and subject to the 15 per cent. limit set out in Article 6;

(f) any decision to acquire a Distribution Facility which would cause the aggregate amount paid to ProLogis Parties in the form of Class B2 Units under the Stabilised Property Contribution Agreement to exceed the rolling 12-month limit of 50 % of aggregate Discount OMVs provided for in the Stabilised Property Contribution Agreement, or any decision temporarily to waive such limit with respect to any contribution under such agreement;

(g) the annual approval of the appointment and the terms and conditions of the appointment of the Independent Appraiser and of the appointment of the external auditors of the Fund, in both cases for terms of one year. Neither appointment shall be terminated by the Management Company without the approval of the UAC;

(h) the disposal of any assets of the Fund in an aggregate amount in any rolling six-month period of more than 5% of the gross asset value of the Fund as calculated on the most recent Valuation Day prior to the date such asset is sold, subject to the proviso set out in Article 6;

(i) any decision with a view to conducting an IPO, to internalise certain management functions and activities and the appointment of an independent advisor/investment bank for the purposes of recommending appropriate compensation on internalisation of management as further described below;

(j) the terms of any new offerings of Units in the Fund, (including, without limitation, any IPO of Class A(1) Units or IPO Shares as described in Article 10 but subject to the requisite vote of Unitholders as described in Article 21 and Article 23, the currency of denomination of the Units and the fees of any placement agents appointed in respect of such offerings) and major debt financings (defined as debt facilities or financings which, if fully drawn, would amount to in excess of 20 % of the total gross asset value of the Fund as at the most recent Valuation Day);

(k) any decision to terminate the Investment Management Agreement, other than automatic termination;

(l) any amendments to the definition of Distributable Cash Flow in respect of the size from time to time of the contingency reserve, or the policy regarding the amortisation of debt;

(m) the approval of the annual operating and capital expenditure budget and funding policy of the Fund;

(n) any decision with respect to all related party transactions, including, without limitation, any distributions in specie of Distribution Facilities of the Fund in connection with the winding-up of the Fund to ProLogis or a ProLogis Related Party or sale to ProLogis or to a ProLogis Related Party of Distribution Facilities that the Fund proposes in the business judgement of the Management Company to sell, but excluding the entry into and (save as prescribed below) performance of these Management Regulations, the Investment Management Agreement, the Existing Property Contribution Agreement, the Stabilised Property Contribution Agreement, the Tax Indemnity and the Placement Agent Agreement;

(o) any decision to refuse to accept a Distribution Facility under the Stabilised Property Contribution Agreement because material disclosures have been made in respect of such Distribution Facility;

(p) any decision to waive any material right which would otherwise exist for the benefit of the Fund, or any decision not to enforce any material right of the Fund under the terms of the Investment Management Agreement, the provision of the Class A(1)/Class C(1) Subscription Agreements relating to certain matters regarding the voting of Class A and Class C Units held by ProLogis or ProLogis Related Parties, the Class B1 Subscription Agreement, the Existing Property Contribution Agreement, the Stabilised Property Contribution Agreement, the Tax Indemnity and the Placement Agent Agreement; and

(q) the approval of an Independent Appraisal Methodology which is different from that prescribed in these Management Regulations or the Private Placement Memorandum or any changes to the method of calculating NAV as prescribed by these Management Regulations. At the time of making the decision to conduct an IPO pursuant to Article 10, the UAC shall have determined whether there should be any internalisation of certain management functions, in particular whether:

* certain functions and activities related to property management, fund financial management and asset management, local tenant renewals, accounting, administration and other similar services undertaken by the Investment Managers pursuant to Article 5 under the Investment Management Agreement should be performed directly by the Management Company (or in the event of a change of legal form of the Fund pursuant to Article 23 by such successor vehicle); and

* any relevant personnel in the Investment Managers should be transferred from the Investment Managers to the Management Company (or the successor vehicle as appropriate). In addition to the above-mentioned internalisation of certain day-to-day management functions and activities, the Management Company shall make proposals to the UAC to address the issue of corporate governance, so as to provide for a post-IPO governance structure in conformance with then applicable market and industry practices.

At each quarterly meeting of the UAC prescribed below, the Management Company shall advise the UAC of the aggregate mark-to-market position of all derivative transactions entered into pursuant to Article 7 and such information shall be included in the minutes of such meeting. If at any time the aggregate mark-to-market position of all such derivative transactions is «out-of-the-money» by an amount in excess of 5 % of the gross asset value of the Fund, the Management Company shall advise each Member of this fact as soon as practicable. If at any time such aggregate mark-to-market position is «out-of-the-money» by an amount in excess of 10 % of the gross asset value of the Fund, the Management Company shall immediately convene a meeting of the UAC, and at such meeting the UAC may require, if it considers appropriate, that some or all of the «out-of-the-money» derivative positions be unwound.

The UAC shall, in the exercise of good faith and reasonable commercial judgement, consider the proposals of the Management Company in respect of all of the above matters and any other decision or determination it is required to make. The affirmative vote of five members of the UAC (including at least two of the Independent Members) is required for the approval of any of the above matters in this Article 4 or any other decision or determination by the UAC made pursuant to these Management Regulations.

The UAC shall meet at least annually in Luxembourg. The UAC shall meet at least quarterly, unless the UAC shall agree otherwise, to review the Fund's performance and may meet more frequently as determined at the first and subsequent meetings of the Members. The UAC may meet upon call by the Management Company or any two Members at the place indicated in the notice of meeting. The UAC may meet by telephone conference. Written notice of any meeting of the UAC shall be given to all Members at least 10 Business Days prior to the date set for such meeting, except in circumstance of emergency, in which case the nature of such circumstances shall be set forth in the notice of the meeting. This notice may be waived by consent in writing, by telegram, telex, telefax, e-mail or any other similar means of communication. Separate notice shall not be required for meetings held at times and places fixed in a resolution adopted by the Members. A written resolution in substitution for a meeting that is signed by all the Members shall be effective as a decision of the UAC. The Management Company shall forward to the UAC all relevant information within a period of time which is reasonably sufficient in the view of the Management Company to permit the UAC to make an informed decision on the relevant matter prescribed above. In addition, the Management Company shall respond so far as practicable to a reasonable request for information made by a Member to assist a Member to discharge its functions under this Article 4.

The minutes of a meeting of the UAC shall be approved at the next following meeting of the UAC and shall be sent to all Unitholders at the address notified to the Management Company in writing. Apart from the functions prescribed

in this Article 4, the UAC is available for consultation by the Management Company and may make suggestions and requests to the Management Company. However, other than decisions relating to any of the above matters, the Management Company is neither bound by such suggestions or requests nor obligated to take direction from the UAC. Except for the initial term prescribed below in this Article 4, the term of office of each Member shall be for a term of three years and until the ratification or appointment of his successor. The initial Members of the UAC shall be designated Class I, Class II and Class III. The initial Class I Members shall be appointed for a term of one year and until ratification or appointment of their successors, the Class II Members for a term of two years and the Class III Members for a term of three years. The initial Class I, Class II and Class III Members who are Independent Members shall be approved in the form of subscription for Class A (1) Units or Class C (1) Units and the ProLogis Members who are Class I, Class II and Class III Members shall be approved by the Management Company.

At the annual general meeting at which the term of the Class I, II or III Members is to expire, successors to the class of Member whose term is to expire shall be elected for a three-year term. The successor Member who is an Independent Member (including a Representative Independent Member) shall be proposed by any Class A Unitholder or Class C Unitholder and shall be ratified by a simple majority of Class A Units and Class C Units voting or represented at that meeting at which there shall be no quorum requirement. The UAC may (but is not required to) make recommendations in favour of or against such nominations.

The successor Member who is a ProLogis Member shall be proposed by the Management Company and subject to ratification by a simple majority of the Class B1 and Class B2 Units voting or represented at that meeting at which there shall be no quorum requirement.

A Member shall hold office until the annual general meeting for the year in which his term expires and until his successor shall be elected subject, however, to prior death, resignation or removal from office.

On the appointment of an Independent Member which is a representative of a Class A or Class C Unitholder (respectively a «Representative Independent Member» and a «Represented Unitholder») the fact of such representation shall be designated at the time of appointment. In respect of the full term of the appointment of a Representative Independent Member (the «Original Term»), the Represented Unitholder shall be entitled, save as prescribed below, on 30 days' notice at any time to the UAC to remove a Representative Independent Member and substitute another Representative Independent Member for the unexpired portion of the Original Term provided that the Represented Unitholder shall not exercise such power more frequently than once each calendar year except in circumstances where the Representative Independent Member is an employee and shall have resigned or have been terminated or where the Representative Independent Member shall be incapacitated from acting for any reason. Where a Representative Independent Member is an employee or officer of the Represented Unitholder or an entity related to the Represented Unitholder such person shall have the status of managing director or an equivalent past, and if the employment or office shall cease for any reason, the appointment of such Representative Independent Member shall automatically terminate and the Represented Unitholder shall specify a suitable replacement of equivalent or higher status as specified above (or in the absence of such an appointment the UAC shall make an appointment meeting the eligibility criteria specified below) for the unexpired portion of the Original Term.

A Representative Independent Member shall also automatically resign if the beneficial ownership of the Represented Unitholder is at any time less than the lesser of 10 % of the Invested Capital of the aggregate outstanding Class A Units (of all Series) and Class C Units (of all Series) or the percentage of Invested Capital of the aggregate Class A Units (of all Series) and Class C Units (of all Series) held by such Represented Unitholder at the time of appointment of such Independent Member. In such circumstances the Represented Unitholder shall cease to be entitled to exercise the power of appointment of a Representative Independent Member for the unexpired portion of the Original Term, and the UAC shall make an appointment as prescribed below.

A Member may resign at any time by giving written notice thereof to the Management Company. The acceptance of a resignation shall not be necessary to make it effective. An Independent Member (other than a Representative Independent Member) may be removed with or without cause by a vote of 67 % of the aggregate Class A Units and Class C Units present or represented at a general meeting.

Save as prescribed above in respect of a Representative Independent Member, any vacancy on the UAC caused by the resignation (whether automatic or otherwise), removal or death of any Member shall be filled (in the case of an Independent Member) by an appointee approved by a majority vote of the remaining Independent Members or (in the case of a ProLogis Member) by direction of the Management Company, and the successor Member shall hold office until the next annual general meeting of Unitholders. At such meeting, the provisions for the election of successor Members shall apply, save that the Member elected at an annual general meeting to fill a vacancy shall have the same remaining term as that of his predecessor.

Art. 5. Investment Management

Under the Investment Management Agreement the Investment Managers will, subject to the overall supervision, approval, direction and liability of the Management Company, and subject to compliance with the Investment Objective and Policy and the Investment and Operating Criteria, carry out property management functions in relation to the day-to-day administration and operation of the Portfolio for the Management Company subject to the proviso that the Investment Management Agreement may contain such terms and conditions and provide for such fees to be paid out of the net assets of the Fund, as the parties thereto shall deem fit. Any fees paid to the Investment Managers out of the net assets of the Fund shall be deducted from the Management Company's base management fee and may not in aggregate exceed the base management fee as prescribed in Article 16.

No Investment Manager will be appointed that is organised or carries on business in the United States.

At the time of making a decision to conduct an IPO pursuant to Article 10, it is anticipated that the UAC shall have made certain determinations as to which functions and activities performed by the Investment Managers shall revert to

the Management Company (or in the event of a change of legal form of the Fund pursuant to Article 23, such successor vehicle) and which personnel shall be transferred to the Management Company (or in the event of a change of legal form of the Fund pursuant to Article 23, such successor vehicle) (all as described in Article 4) and such changes as are required to reflect the revised duties and fees payable shall be made by the Management Company to the terms of the Investment Management Agreement.

Art. 6. Investment Objective and Policy

The Investment Objective and Policy is to generate a high level of current income and capital appreciation through investment in Distribution Facilities which meet the Investment and Operating Criteria, subject to the exceptions approved by the UAC in accordance with Article 4. All the investments of the Fund will either be made directly or indirectly through companies or entities which are subsidiaries or by the acquisition of companies or entities which may be either wholly or partially owned by the Fund. The Investment and Operating Criteria provide that the Fund shall not acquire any real estate assets in the United States.

Distribution Facilities may be sold during the life of the Fund where such sale is considered to be in the best interest of the Fund and appropriate having regard to the Investment Objective and Policy, and subject to the approval of the UAC in accordance with Article 4 where disposals in any rolling six-month period would exceed 5% of the total gross assets of the Fund at the most recent Valuation Day prior to the date such Distribution Facilities are sold. Where the Management Company acquires from any party other than a ProLogis Party any portfolio of Distribution Facilities including assets outside the Target Markets and/or which are not Distribution Facilities, the disposal of such assets shall not be subject to review by the UAC and shall not fall within this 5% limit.

The Management Company shall not acquire any Non-Stabilised Distribution Facility or any Distribution Facility outside the Target Markets if the aggregate acquisition prices of all such Distribution Facilities (whether purchased in the form of companies owning such Distribution Facilities from any source or directly) which were Non-Stabilised at the time of their acquisition or which are outside the Target Markets would, after the acquisition of the Non-Stabilised Distribution Facility offered to the Fund, or Distribution Facility outside the Target Markets, as the case may be, exceed 15 % of the total gross asset value of the Portfolio as at the most recent Valuation Day prior to such acquisition.

On a sale of any Distribution Facility, the Management Company shall have regard to the OMV appraisal by the independent Appraiser at the date which is on or after the most recent Valuation Day in agreeing the applicable sale price for such Distribution Facility. The proceeds of any such sale shall not, unless the Management Company shall determine otherwise under Article 7, be distributed as Distributable Cash Flow but will be held for investment and re-investment.

Art. 7. Risk Diversification Rules, Borrowing Restrictions and Distributable Cash Flow

The risk diversification requirements for the Portfolio are prescribed in the Investment and Operating Criteria and the Management Company shall comply with such requirements in the management of the Fund. Pending investment or reinvestment of sale proceeds of Distribution Facilities, the cash assets of the Fund will be invested in liquid Euro denominated money market instruments, time deposits or debt securities.

In relation to the investment of the liquid cash assets of the Fund in money market instruments or debt securities, the Fund may not invest more than 10 % of its net assets in money market instruments or debt securities of one single issuer. Furthermore, the Fund may not hold more than 10 % of any single class of money market instrument or debt security of a single issuer nor may it invest more than 10 % of its net assets in money market instruments or debt securities which are neither listed on a Stock Exchange nor dealt on a Regulated Market, The above restrictions are, however, not applicable to (i) securities issued by companies which are wholly or partly owned and controlled by ProLogis EUROPEAN PROPERTIES FUND and (ii) investments of the Fund which are subject to the 20 % risk diversification rule referred to in the next paragraph.

In order to achieve a minimum spread of the investment risks, the Fund will not (except during the start-up period which will not extend beyond four years after the First Closing Date) invest more than 20% of its net assets directly or indirectly through companies or entities which are subsidiaries of the Fund in a single real estate property or a company which is partially owned by the Fund and which the Fund does not control.

The Fund will not enter into or invest in options, futures or other derivative transactions for speculative purposes and may only enter into such transactions for hedging purposes to mitigate currency and/or interest rate risks. The Management Company shall provide the information to the UAC in respect of derivative transactions, and shall unwind the derivative positions required by the UAC, as prescribed in Article 4.

Hedging arrangements may be entered into in respect of the currency risk associated with distributions attributable to a Class of Units or Series thereof denominated in a currency other than the reference currency of the Fund.

The Fund may incur indebtedness whether secured or unsecured. However, save as prescribed below, ProLogis EUROPEAN PROPERTIES FUND and its consolidated subsidiaries may not incur additional indebtedness (whether secured or unsecured) which would cause the value of total indebtedness of ProLogis EUROPEAN PROPERTIES FUND and its consolidated subsidiaries on average to exceed 50 % of the aggregate valuation as at the most recent Valuation Day prior to the incurrence of such indebtedness of (i) the Distribution Facilities or other properties and property rights beneficially owned directly or indirectly by ProLogis EUROPEAN PROPERTIES FUND and its consolidated subsidiaries and (ii) debt and equity interests of the Fund in real estate companies which are not consolidated in the accounts of the Fund.

For the purposes of effective cash management of the resources of the Fund, the Fund may exceed such indebtedness limit for temporary or short term purposes pending capital calls provided that such total indebtedness shall not exceed 65% of such aggregate valuation, and provided further that the amount of indebtedness in excess of such 50% limit shall not exceed the aggregate amount of the unpaid portion of the issue price outstanding in respect of Units at the time the indebtedness is incurred.

For the purposes of the definition of Distributable Cash Flow, the Management Company may change the contingency reserve cap of € 5 million and may include a prudent amortisation of debt subject in both cases to the approval of the UAC in accordance with Article 4 if it is in the best interests of the Fund. In addition, if the Management Company so determines, the proceeds of sale of any asset in the Portfolio, including any Distribution Facility, may be included in the definition of Distributable Cash Flow.

Art. 8. Existing Property, Contribution Agreement and Stabilised Property Contribution Agreement

The Management Company, acting on behalf of the Fund, shall enter into (a) the Existing Property Contribution Agreement and (b) the Stabilised Property Contribution Agreement on the First Closing Date.

The Existing Property Contribution Agreement will be entered into by the Management Company and the other parties thereto under which ProLogis INTERNATIONAL and certain ProLogis Related Parties will undertake to contribute the shares of the Initial S.à r.l.'s and ProLogis MASTER, S.à r.l. to ProLogis EUROPEAN PROPERTIES FUND in exchange for, inter alia, the issue of Class B1 Units and Class B2 Units. The Stabilised Property Contribution Agreement will be entered into by the Management Company and the ProLogis Parties under which the ProLogis Parties will be required to contribute, and the Management Company will be required to acquire on behalf of the Fund (i) Distribution Facilities developed or improved by the ProLogis Parties in Europe which meet the Investment and Operating Criteria or (ii) the shares in companies owning directly or indirectly such Distribution Facilities, at a price and under the conditions contained therein.

To qualify as «Stabilised» pursuant to the terms of the Stabilised Property Contribution Agreement a Distribution Facility must have the following characteristics:

* 100 % of construction of such Distribution Facility must be completed;

* such Distribution Facility must be at least 90 Per Cent. Let;

* such Distribution Facility must have a minimum lease term (or, in the case of an acquired portfolio, a weighted average lease term) of at least three years;

* any construction or development-related debt financing incurred by any ProLogis Party relating to such Distribution Facility must be able to be repaid at any time without penalty whether or not such debt is actually repaid;

* such Distribution Facility must be free of any material claims relating to the carrying out of the development of the Distribution Facility;

* such Distribution Facility must be wholly owned by a ProLogis Party or the vendor and be capable of full transfer of ownership to the Fund;

* in the case of assets developed by the ProLogis Parties, the Discount OMV of such Distribution Facility must at a minimum equal the Capitalised Development Cost; and

* the Net Operating Income Yield of such Distribution Facility must meet or exceed the Minimum Net Operating Income Yield prescribed in the Investment and Operating Criteria.

Art. 9. Issue of Units

The Management Company shall have the ability to issue Units of different Classes or Series within such Classes subject to the terms of these Management Regulations and the Schedule by amending these Management Regulations provided that such amendments are not inconsistent with the terms of these Management Regulations in respect of the Classes of Units or Series of Units within such Classes as are specifically prescribed below. Fractional Units shall have no right to vote but shall have the right to participate pro rata in distributions of Distributable Cash Flow and allocation of Residual Value in the event of the winding-up of the Fund.

In addition to the provisions prescribed in these Management Regulations, in respect of each issue of a Class of Units (or Series thereof) the Management Company shall set out certain terms of issue in the Schedule which shall form part of, but shall be read subject to, the terms of these Management Regulations.

Units will be denominated in such currency as the Management Company with the approval of the UAC shall determine.

The Fund shall issue the following Classes of Units in accordance with the terms of these Management Regulations; provided, however, that the Class A(1) Units and the portion of the aggregate issue price of the Class B1 Units which is not attributable to the contribution of shares in ProLogis MASTER, S.à r.l. and the Initial, S.à r.l.'s shall be drawn down at the same time and in the same pro rata proportions to total commitments of the Class A(1) Units and such portion of the aggregate issue price of the Class B1 Units, until such time, if any, of the automatic cancellation of the uncalled portion of the Class A(1) Units in accordance with these Management Regulations.

* Class A Units shall be issued in Series commencing with Class A(1) Units, Class A(2) Units and so on. The Class A(1) Units will be denominated in Euro and will be issued with an initial issue price per Unit of € 10 in minimum investment amounts of 100,000 Units (or such lesser amount as shall be approved by the Management Company) to investors partly paid with the balance called over a period of up to three years from the date of the First Closing Date. Any balance of the issue price that has not been called prior to the expiry of such three-year period shall be cancelled and an adjustment of the number of outstanding Class A(1) Units will be made as prescribed below;

* Class B1 Units will be denominated in Euro and will be issued with an initial issue price per Unit of € 10 partly paid to ProLogis INTERNATIONAL in accordance with the terms of the Existing Property Contribution Agreement in relation to the Contributed Portfolio and in accordance with the terms of the Class B1 Subscription Agreement. Class B1 Units will carry the right to a participation interest in the event of winding-up of the Fund in accordance with Article 23;

* Class B2 Units shall be issued in Series commencing with Class B2(1) Units, Class B2(2) Units and so on. The Class B2 Units will be denominated in Euro and any Series thereof will be issued fully paid from time to time at the then current issue price as prescribed by these Management Regulations to (i) the ProLogis Parties in connection with each

contribution of a Stabilised Distribution Facility to the Fund in respect of the Contribution Amount or parts thereof pursuant to the terms of the Stabilised Property Contribution Agreement and these Management Regulations; and (ii) to ProLogis Related Parties in accordance with the terms of the Existing Property Contribution Agreement and these Management Regulations;

* Class C Units will be Preferred Units and shall be issued in Series commencing with Class C(1) Units, Class C(2) Units and so on and may be convertible and/or subject to redemption in accordance with the terms prescribed by the Management Company on issue in the Private Placement Memorandum relating to the offering of such Units. The Class C(1) Units will be denominated in Euro and will be issued with an initial issue price per Unit of € 10 in minimum investment amounts of 100,000 Units (or such lesser amount as shall be approved by the Management Company) to investors fully paid and shall be convertible into Class A(1) Units at the conversion rate specified below and shall be subject to redemption by the Management Company as specified below.

The number of Class B2 Units of each Series which shall be issued against: (i) the contribution of a Stabilised Distribution Facility to the Fund pursuant to the Stabilised Property Contribution Agreement; or (ii) the cash value of the Excess Net Assets of the Initial S.à r.l.'s, or ProLogis MASTER, S.à r.l., as the case may be, determined pursuant to the provisions of the Existing Property Contribution Agreement and attributable to the shares of the Initial S.à r.l.'s, or ProLogis MASTER, S.à r.l., as the case may be, being transferred to the Fund; shall be determined with respect to (i) above, by taking the cash value of the proportion of the Contribution Amount specified by the ProLogis Parties in accordance with the provisions set out below and in respect of (ii) above, by taking the cash value described therein; and in either case dividing each such amount by the NAV per Class A(1) Unit calculated in accordance with Article 11 on the most recent Valuation Day prior to such issue except that any Class B2 Units issued in respect of the Initial S.à r.l.'s or under the Stabilised Property Contribution Agreement on a date prior to the first Valuation Day shall be issued at an issue price of € 10 per Unit.

A minimum of 10 % of the Discount OMV (or such greater percentage as may be specified by the Prologis Parties) of each Stabilised Distribution Facility contributed pursuant to the terms of the Stabilised Property Contribution Agreement shall be paid to the Prologis Parties in the form of Class B2 Units provided that the aggregate amount paid to the ProLogis Parties in the form of Class B2 Units in the 12-month period immediately preceding the date of the proposed issue of Class C2 Units in connection with the payment of such Contribution Amount shall not, without the UACs approval but subject to the terms of the Stabilised Property Contribution Agreement, exceed 50 % of the aggregate of the Discount OMV in respect of all Stabilised Distribution Facilities contributed to the Fund by the ProLogis Parties in the same 12-month period.

If the relevant Prologis Party requires to receive Class B2 Units for the purpose of recognition of gains under US tax law and regulations and any issue of Class B2 Units pursuant to such requirement would cause the aggregate amount paid to the ProLogis Parties in the form of Class B2 Units in any such «rolling» 12-month period to exceed 50% of the aggregate of such Discount OMV in the same 12 month period, then, if the UAC does not waive such 50% limit, the ProLogis Parties shall be free to retain the Distribution Facility or Facilities (or shares) or sell it to a third party and will be under no obligation to offer it to the Fund at a later date.

Class C Units shall be entitled to a preferred cash distribution as set out in Article 18, Article 23 and the Schedule.

Where the Management Company so determines at the time of issue, the Class C Units of the relevant Series (other than those which are Defaulted Units) shall be convertible, in whole or in part, in the event of an IPO at the option of the Class C Unitholders into Class A(1) Units or IPO Shares at the conversion rate specified by the Management Company on issue provided that the issue price of the relevant Series of Class C Units divided by such conversion rate must at least be equal to the applicable NAV per Class A(1) Unit at the date of the issue of the relevant Series of Class C Units. In respect of the Class C(1) Units the conversion rate is 0.6896 Class A(1) Units or IPO Shares for each Class C(1) Unit. The Fund will not be required to pay any accrued but unpaid cash distributions or interest thereon on any Class C Units for which a conversion notice has been given to the Fund. Where the Management Company so determines at the time of issue, the Class C Units of the relevant Series may be subject to redemption by the Management Company, Class C(1) Units may be redeemed in whole or in part at the initiative of the Management Company after the date which is seven years after the date of the First Closing Date («Year 7») but before the date which is 10 years from the First Closing Date, by the Management Company serving a redemption notice on Class C(1) Unitholders, provided however that the Class C(1) Units cannot be redeemed in part unless all accrued and unpaid distributions have been paid in full. In any event, the Class C(1) Units shall be mandatorily redeemed in full (i) at IPO in the event that an IPO takes place after Year 7; (ii) on winding-up the Fund after Year 7; or (iii) on termination of the Fund on the date which is 10 years after the First Closing Date. In the event of an IPO after Year 7, Class C(1) Unitholders will have 30 days from the date of the redemption notice served on Class C(1) Unitholders in which to decide whether to exercise their conversion rights. In the event of any redemption, the Class C(1) Units will be redeemed at the greater of Invested Capital per Class C(1) Unit or 0.6896 x NAV per Class A(1) Unit at the most recent Valuation Day prior to redemption.

Class A Units, Class B1 Units, Class B2 Units and Class C Units shall be issued in registered and definitive form only.

The Management Company is authorised to make an application for listing of each Series of Class A Units and each Series of Class C Units on the Luxembourg Stock Exchange and such other stock exchanges as the Management Company may determine.

Units will be issued in the manner described herein together and on the terms of the Schedule. The Private Placement Memorandum in respect of such Units shall set forth all material terms governing such Units including, without limitation, the initial issue price per Unit, minimum investment amount, details of funding and conversion rights (if any).

The Management Company shall consider the adequacy of the financial resources of the Fund and the raising of new capital at such time as the Fund's available financial resources fall below approximately 20 % of the capital committed in the most recent offering or at such earlier time as the volume of Distribution Facilities proposed to be sold to the Fund

under the Stabilised Property Contribution Agreement so warrants. The Management Company shall at each meeting of the UAC advise the UAC of the Fund's available financial resources.

In respect of Units that are partly paid, the portion of the issue price that shall be payable at the time of their issuance and on each subsequent payment date shall be determined by the Management Company and notified to Unitholders. Other than in respect of Class B1 Units, the unpaid portion of the issue price of any Class of Units (or Series thereof) for that Class (or Series thereof) shall be cancelled automatically at the expiry of the period of draw down designated by the Management Company at the time of issue of such Class of Units (or Series thereof) whereupon such Unitholders shall have no further liability to the Fund in respect of Units of that Class (or Series thereof). Upon such cancellation the number of outstanding Units of that Class (or Series thereof) shall be reduced by applying the fraction A/B where «A» is the Invested Capital of such Class of Units (or Series thereof) at the time of cancellation and «B» is the initial issue price of such Class of Units (or Series thereof), and each Unitholder's holding of Units of such Class (or Series thereof) shall be reduced by applying the same fraction and the register of Units of that Class (or Series thereof) shall be amended accordingly to reflect the number of Units of that Class (or Series thereof) then outstanding.

The initial issue price of any new Class of Units (or Series thereof) shall be determined by the Management Company and shall be set forth in the Private Placement Memorandum in respect of such Class of Units (or Series thereof). Any Series of Units shall be issued on the same date and at the same issue price.

The minimum number or value of Units that may be subscribed for by an investor shall be determined by the Management Company and set forth in the Private Placement Memorandum in respect of such Units.

Where the Management Company offers a new Class of Units (or Series thereof) for and on behalf of the Fund, it shall reserve for existing holders of the same Class the right to subscribe for new Units or Series of such Class or similar Classes on a preferential and rateable basis in accordance with the provisions contained in the Law of 10 August 1915 on Commercial Companies governing preferential subscription rights for shares issued by public limited companies and such law shall be deemed to apply to the Fund.

Where the Fund offers Units of the same Class (or of an additional Series thereof) for subscription after the date of first issue of Units of such Class (or Series thereof), the price per Unit at which such Units are offered shall be the NAV per Unit of the first Series of Units of the relevant Class as determined in compliance with Article 11 hereof as of such Valuation Day as is determined in accordance with such policy as the Management Company may from time to time determine, provided that

(a) no further issues of Units of any Class or Series thereof shall take place until the Units of the same Class or the last Series thereof are fully paid up, or the unpaid portion of the issue price has been cancelled pursuant to this Article 9;

(b) the issue price of Class B2 Units of each Series shall be the relevant NAV of the Class A(1) Units on the relevant Valuation Day calculated in accordance with Article 11, except that Class B2 Units issued in respect of the Initial, S.à r.l.'s, or under the Stabilised Property Contribution Agreement on a date prior to the first Valuation Day shall be issued at an issue price of € 10 per Unit; and

(c) where the Fund offers for subscription Units of a new Class which are not Preferred Units and such Units are entitled to a distribution pursuant to Article 23, Section 3 paragraph (v)(b) of these Management Regulations, the price per Unit at which such Units are offered shall be the NAV of the Class A(1) Units on the Valuation Day preceding the date of such offering, as calculated in accordance with Article 11.

The price at which Units may be issued may be increased by a percentage estimate of costs and expenses to be incurred by the Fund when investing the proceeds of the issue and by applicable sales commissions, as approved from time to time by the Management Company. The contributions in cash or in kind corresponding to the price so determined shall be made within a period as determined by the Management Company.

Subject to the provisions of these Management Regulations, the Management Company shall make such arrangements as it deems appropriate for the sale of Units, including the requirement of purchasers of Units to enter into subscription agreements containing terms not inconsistent with the provisions of these Management Regulations.

The Management Company may, at its discretion, discontinue temporarily, cease permanently or limit the issue of Units at any time to persons or corporate bodies resident or established in certain particular countries and territories. The Management Company may exclude certain persons or corporate bodies from the acquisition of Units, if such measure is necessary for the protection of the Unitholders as a whole or the Fund. The Management Company may reject in its absolute discretion any application for Units.

If any Unitholder fails to pay any portion of the issue price of any Unit on the date required by the Management Company which date shall fall at least 10 Business Days after the date of the call notice, the Management Company shall send to such Unitholder a notice of default. If such Unitholder fails to pay the required portion of the issue price by that day which is 10 days after the date of such notice of default, the Management Company may declare such Unitholder to be a «Defaulting Unitholder» in respect of such Defaulted Units. A Defaulting Unitholder will not be allowed to make any additional payments of its commitment to the Fund in respect of the Defaulted Units. In addition, a Defaulting Unitholder's right, if any, to vote at Unitholders meetings in respect of the Defaulted Units shall be suspended. Defaulted Units will receive no distributions from the Fund until its final distribution on a winding-up and shall receive, subject to there being sufficient assets, only the return of Invested Capital in accordance with the provisions of Article 23.

The Management Company may enter into distribution agreements with any persons to act as distributors of Units. Such distribution agreements may contain such terms and conditions and provide for fees (subject to UAC approval under Article 4) on an arms length basis as the parties thereto shall negotiate, including authority to such distributors to charge purchasers of Units sales commissions and retain such commissions, but, without prejudice to the Management Company, to decide that sales commission to distributors are payable from the net assets of the Fund. Any such person may, with the consent of the Management Company, enter into sub-distributor agreements with other persons, compensation for which shall be paid from the fee of such person.

Art. 10. Initial Public Offering

Subject to approval by the UAC as required in Article 4 and by Class A Unitholders, Class C1 Unitholders and Class B2 Unitholders as required in Article 21 and Article 23, the Management Company may decide to pursue an IPO and listing on a major European stock exchange as described in the Private Placement Memorandum. Prior to the effective date of any IPO, the Class A(1) Units, Class B1 Units, Class B2 Units and all other Units shall be valued in accordance with the rules set out for the distribution of Residual Value upon a winding-up of the Fund (see Article 11) and the Class B1 Units, the Class B2 Units and such other Classes or Series of Units as are designated by the Management Company on issue as being convertible on an IPO shall be converted into Class A(1) Units (or IPO Shares) in the ratio determined by the relative NAV of each Class of Unit on the relevant Valuation Day unless some other conversion ratio has been determined at the date of issue of such Units by the Management Company pursuant to the Management Regulations. As specified in Article 9 in the event of an IPO, Class C(1) Units are convertible at the option of the Class C(1) Unitholders into Class A(1) Units or IPO Shares at the conversion rate specified in Article 9.

In respect of the Class B1 Units, the Management Company shall determine an appropriate mechanism based on the type of IPO and the vehicle which is the subject of an IPO, to ensure that the Residual Value which has been allocated to the Class 61 Units pursuant to the 20% allocation in Article 23 paragraph (vii), is subsequently adjusted to reflect the price actually achieved on an IPO for the Class A Units or the IPO Shares. For the avoidance of doubt, it is acknowledged and declared that on the facts applicable to such IPO, such adjustment may be either upwards or downwards. At the IPO, the Management Company shall establish a distribution policy which the Management Company determines to be appropriate following consultation with the investors. In the event of any internalisation of management made pursuant to Article 4 and occurring on IPO, the management fee paid to the Management Company may be revised pursuant to Article 16.

Art. 11. Calculation of NAV per Unit

The NAV per Unit of each Class (or any Series thereof) shall be expressed in the relevant currency of denomination of such Units and shall be determined as at any Valuation Day by dividing (i) the net assets of the Fund attributable to each Class of Units (or any Series thereof), being the value of the portion of assets less the portion of liabilities attributable to such Class (or Series thereof), on any such Valuation Day, by (ii) the number of Units in the relevant Class (or Series) then outstanding, in accordance with the valuation rules set forth below, provided that:

(a) the assets attributable to each Class of Units (or Series) shall be determined in accordance with the rules set forth for the distribution of Residual Value upon a winding-up of the Fund set forth in Article 23 and the Schedule;

(b) in calculating the issue price of each Series of the Class B2 Units the Original Issue Price of the Class A(1) Units shall be deemed to have been fully paid

(c) Defaulted Units of any relevant Class (or Series) shall not form part of such Class (or Series) for the purposes of calculation of NAV; and

(d) save for the purposes of calculating the issue price of the Class B2 Units (or any Series thereof), the unpaid portion of the issue price of any Class of Units already issued shall be disregarded in calculating the NAV of such Units.

The NAV per Unit may be rounded up or down to the nearest unit of currency of denomination of such Unit as the Management Company shall determine. If since the time of determination of the NAV of a Class of Units (or Series thereof) there has been a material change in relation to (i) a substantial part of the properties or property rights of the Fund or (ii) the quotations in the markets on which a substantial portion of the investments of the Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the Unitholders and the Fund, cancel the first valuation and carry out a second valuation.

The accounts of the real estate companies in which the Fund has a majority interest will be consolidated with the accounts of the Fund and accordingly the underlying assets and liabilities are valued in accordance with the valuation rules described below. The minority interests in quoted real estate companies and unquoted real estate companies are valued respectively on the basis of the last available quotation and the probable net realisation value estimated by the Management Company with prudence.

The assets and liabilities of the Fund for these purposes shall be determined in the following manner:

For the purpose of the valuation of real estate, the Management Company for and on behalf of the Fund shall appoint an independent real estate appraisal professional who is licensed where appropriate and operates, or has subcontracted, with the approval of the Management Company, its duties to any entity who operates, in the jurisdiction where any relevant property is located and whose appointment is approved by the UAC in accordance with Article 4 on an annual basis (the «Independent Appraiser»). The first such Independent Appraiser shall be JONES LANG LASALLE LIMITED. The Independent Appraiser shall not be affiliated with ProLogis.

I. The assets of the Fund shall include:

1 properties or property rights registered in the name of the Fund;

2 shareholdings in convertible and other debt securities of real estate companies;

3 all cash on hand or on deposit, including any interest accrued thereon;

4 all bills and demand notes payable and accounts receivable (including proceeds of properties, property rights, securities or any other assets sold but not delivered);

5 all bonds, time notes, certificates of deposit, shares, stock, debentures, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Fund (provided that the Fund may make adjustments in a manner not inconsistent with paragraph (d) below with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);

6 all stock dividends, cash dividends and cash payments receivable by the Fund to the extent information thereon is reasonably available to the Fund, the Management Company or ProLogis;

7 all rentals accrued on any real estate properties or interest accrued on any interest-bearing assets owned by the Fund except to the extent that the same is included or reflected in the value attributed to such asset;

8 the formation expenses of the Fund, including the cost of issuing and distributing Units of the Fund, insofar as the same have not been written off;

9 all other assets of any kind and nature including expenses paid in advance.

The value of such assets shall be determined as follows:

(a) Subject as prescribed below, real estate will be valued by the Independent Appraiser as at each Valuation Day and on such other days as the Management Company may require. Each such valuation will be made on the basis of OMV and in accordance with the methodology set out in Appendix A which forms part of these Management Regulations.

(b) The securities of real estate companies which are listed on a stock exchange or dealt in on another Regulated Market will be valued on the basis of the last available publicised stock exchange or market value.

(c) Subject as specified below, the securities of real estate companies which are not listed on a stock exchange nor dealt in on another Regulated Market will be valued on the basis of the probable net realisation value (excluding any deferred taxation) estimated with prudence and in good faith by the Management Company using the value of real estate as determined in accordance with (a) above and as prescribed below.

(d) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

(e) All other securities and other assets, including debt securities, restricted securities and securities for which no market quotation is available, are valued on the basis of dealer-supplied quotations or by a pricing service approved by the Management Company or, to the extent such prices are not deemed to be representative of market values, such securities and other assets shall be valued at fair value as determined in good faith pursuant to procedures established by the Management Company Money market instruments held by the Fund with a remaining maturity of ninety days or less will be valued by the amortised cost method, which approximates market value.

The appraisal of the value of (i) properties and property rights registered in the name of the Fund or any of its directly or indirectly wholly-owned subsidiaries and (ii) direct or indirect shareholdings of the Fund in real estate companies referred to under (c) above in which the Fund shall hold more than 50 per cent. of the outstanding voting stock, shall be undertaken by the Independent Appraiser. Such valuation may be established at the year end and used throughout the following year unless there is a change in the general economic situation or in the condition of the relevant properties or property rights held by the Fund or by any of the companies in which the Fund has a shareholding which requires new valuations to be carried out under the same conditions as the annual valuations.

The value of all assets and liabilities not expressed in the currency of denomination of the relevant Units will be converted into such currency at the relevant rates of exchange ruling on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Management Company.

The Management Company, subject to approval by the UAC under Article 4, may permit some other method of valuation to be used, if it considers that such valuation better reflects the fair value of any asset of the Fund.

II. Subject to Part III of this Article 11, the liabilities of the Fund shall include:

1 all loans and other indebtedness for borrowed money (including convertible debt), bills and accounts payable;

2 all accrued interest on such loans and other indebtedness for borrowed money (including accrued fees for commitment for such loans and other indebtedness);

3 all accrued or payable expenses (including administrative expenses, advisory fees, Custodian fees, and corporate agents' fees);

4 all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid distributions declared by the Fund, where the Valuation Day falls on the record date for determination of the person entitled thereto or is subsequent thereto;

5 an appropriate provision for future taxes based on capital and income to the Valuation Day, as determined from time to time by the Management Company, as well as such amount (if any) as the Management Company may consider to be an appropriate allowance in respect of any contingent liabilities of the Fund provided that for the avoidance of doubt, on the basis that the assets are held for investment it is not expected that such provision shall include any deferred taxation;

6 all other liabilities of the Fund of whatsoever kind and nature reflected in accordance with Luxembourg law and Luxembourg generally accepted accounting principles. In determining the amount of such liabilities the Fund shall take into account all expenses payable by the Fund pursuant to Article 16. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

III. For the purpose of this Article 11:

1 Units of the Fund to be redeemed (if any) shall be treated as existing and taken into account until the date fixed for redemption, and from such time and until paid by the Fund the price therefor shall be deemed to be a liability of the Fund;

2 Units to be issued by the Fund shall be treated as being in issue as from the date of issue and from such time and until received by the Fund the price therefore shall be deemed to be a debt due to the Fund provided that in the case of a partly paid Unit, the unpaid portion of the issue price shall be treated as prescribed above in this Article 11;

3 all investments, cash balances and other assets expressed in currencies other than the currency of denomination of the relevant Units shall be valued after taking into account the market rate or rates of exchange in force at the date and time for determination of the NAV; and

4 where on any Valuation Day the Fund has contracted to:

* purchase any asset, the value of the consideration to be paid for such asset shall be shown as a liability of the Fund and the value of the asset to be acquired shall be shown as an asset of the Fund save in respect of the transfer of shares in the Initial, S.à r.l.'s, and ProLogis MASTER, S.à r.l., pursuant to the terms of the Existing Property Contribution Agreement where the value of such shares shall only be recognised as an asset of the Fund at the relevant date of transfer of the relevant shares to the Fund;

* sell any asset, the value of the consideration to be received for such asset shall be shown as an asset of the Fund and the asset to be delivered by the Fund shall not be included in the assets of the Fund;

provided, however, that if the exact value or nature of such consideration or such asset is not known on such Valuation Day, then its value shall be estimated by the Fund.

For the avoidance of doubt, the provisions of this Article 11 (including, in particular, Part III hereof) are rules for determining NAV per Unit and are not intended to affect the treatment for accounting or legal purposes of the assets and liabilities of the Fund or any Units issued by the Fund.

Art. 12. Frequency and Temporary Suspension of Calculation of NAV

With respect to each Class of Units (or any Series thereof), on each Valuation Day determined by the Management Company in accordance with applicable law and regulations, the NAV per Unit (or any Series thereof) shall be calculated from time to time by the Management Company or any agent appointed thereto by the Management Company.

The Management Company may suspend the determination of the NAV per Unit of any particular Class (or any Series thereof) and the issue and, if applicable, the redemption of such Units as well as the conversion, if applicable, from and to any other Class of Unit (or any Series thereof) during:

(a) any period when one or more exchanges which provide the basis for valuing a substantial portion of the assets of the Fund are closed other than for or during holidays or if dealings therein are restricted or suspended or where trading is restricted or suspended;

(b) any period when, as a result of the political, economic, military or monetary events or any circumstance outside the control, responsibility and power of the Management Company, or the existence of any state of affairs in the property market, disposal of the assets of the Fund is not reasonably practicable without materially and adversely affecting and prejudicing the interests of Unitholders or if, in the opinion of the Management Company, a fair price cannot be determined for the assets of the Fund;

(c) in the case of a breakdown of the means of communication normally used for valuing any asset of the Fund or if for any reason the value of any asset of the Fund which is material in relation to the net asset value (as to which the Management Company shall have sole discretion) may not be determined as rapidly and accurately as required;

(d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of the assets of the Fund cannot be effected at the normal rates of exchange;

(e) any period when the net asset value of any subsidiary of the Fund may not be determined accurately;

(f) upon the publication of a notice convening a general meeting of Unitholders for the purpose of resolving the winding-up of the Fund; or

(g) when for any other reason, the prices of any investments cannot be promptly or accurately determined;

provided, however, that the foregoing provisions of this paragraph shall not apply to any issuance of Units pursuant to subscriptions accepted on a partly-paid basis at a price agreed prior to any such period.

Any such suspension shall be published, if appropriate, by the Management Company and may be notified to Unitholders having made an application for subscription, redemption, or conversion, if any, of Units for which the calculation of the net asset value has been suspended.

Such suspension as to any Class of Units shall have no effect on the calculation of the NAV per Unit, the issue, redemption and conversion, if any, of Units of any other Class of Units unless the Management Company shall have suspended the determination of NAV in respect of such other Class of Units as well.

Art. 13. Unit Certificates

The Management Company or the agent appointed in relation thereto will maintain a register of Unitholders and will issue, in representation of Units, certificates in registered and definitive form. Any transfer restriction agreed by separate agreement shall be reflected in such certificates. Unit certificates will be issued for any whole and/or fractional number of Units. Each certificate shall be signed for and on behalf of the Management Company (by one or several Managers) and by the Custodian, which may be by facsimile.

Lost, stolen or destroyed Unit certificates may be replaced in accordance with Luxembourg law.

Art. 14. Transfer of Units and Restrictions

Units of any Class may be owned or transferred by Unitholders subject to the restrictions indicated hereafter and as specified elsewhere in these Management Regulations.

1 Restrictions on Ownership of Units

The provisions of this Part 1 shall apply prior to an IPO, but shall cease to apply thereafter.

Section 1. Definitions.

For the purposes of this Article 14, the following terms shall have the following meanings:

«Beneficial Ownership» shall mean beneficial ownership as defined under Rule 13d-3 of the United States Securities Exchange Act of 1934, as amended, and, with respect to such meaning, Beneficial Ownership by any Person shall include Beneficial Ownership by other Persons who are part of the same group as the original Person for the purposes of Rule 13d-3. The terms «Beneficial Owner, «Beneficially Owns» and «Beneficially Own» shall have the correlative meanings.

«Excess Units» shall mean Units in excess of the Ownership Limit whether resulting from subscription of Units, transfer or otherwise.

«Excess Units Fiduciary» shall mean a person unaffiliated with the Fund identified by the Management Company as a fiduciary for the purposes herein.

«Excluded Holder» shall mean ProLogis or a ProLogis Related Party, as identified by the Management Company.

«Ownership Limit» shall mean 24.9% in number of the Fund's outstanding Units of any Class held by a single Person or 66.9 % in number of Fund's outstanding Units of any Class held in aggregate by three or fewer Persons. The number of the outstanding Units shall be determined by the Management Company in good faith, which determination shall be conclusive for all purposes hereof.

«Person» shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated association or government or any agency or political sub-division thereof.

«Prohibited Person» shall mean a property company or other entity actively engaged in the ownership, operation and management of industrial and/or warehouse properties (including but not limited to Distribution Facilities) (other than a passive owner of such properties purely for investment purposes and such other entity as the Management Company shall determine in its sole discretion as not falling within this definition).

«Purported Beneficial Transferee» shall mean, with respect to any purported Transfer which results in Excess Units, the beneficial holder of the Units, if such Transfer had been valid under Section 2 of this Article 14.

«Transfer shall mean any sale, transfer, gift, assignment, devise or other disposition of Units. The terms «Transfers» and «Transferred» shall have the correlative meanings.

Section 2. Ownership Limitation.

(A) No Person (other than an Excluded Holder) who is a Prohibited Person may subscribe for or own Units in the Fund.

(B) A single Person who is a Beneficial Owner (other than an Excluded Holder) who owns Units in excess of the Ownership Limit applicable to a single Person shall be prohibited from exercising voting rights in respect of Excess Units, and accordingly any purported votes of such Excess Units save by the Excess Units Fiduciary shall be disregarded and shall be of no effect.

(C) Any three or fewer Persons who are Beneficial Owners (other than an Excluded Holder) who collectively own Units in excess of the Ownership Limit applicable to two or more Persons as specified below shall be prohibited from exercising voting rights in respect of Excess Units, and accordingly any purported votes of such Excess Units (save by the Excess Units Fiduciary) shall be disregarded and shall be of no effect.

(D) Any Transfer to a Person (other than an Excluded Holder) who is a Prohibited Person shall be void and unenforceable against the Fund.

(E) The transfer of Units that shall result in a breach of the provisions in (B) and (C) above shall result in such Units becoming Excess Units and such Units shall be transferred to an Excess Units Fiduciary and accordingly the voting rights in respect of such Excess Units shall be transferred to such Excess Units Fiduciary. Where a Person, or three or fewer Persons hold Units in breach of the Ownership Limit, the Management Company may compulsorily transfer such Excess Units to the Excess Units Fiduciary.

(F) Nothing contained in this Article 14 shall preclude the settlement of any transaction entered into through the facilities of any securities exchange. However, any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article 14.

Section 3. Excess Units.

In determining which Units are Excess Units, Units Beneficially Owned by any Person whose Transfer caused the relevant Ownership Limit to be exceeded shall become Excess Units. Where several such Persons exist, the creation of Excess Units shall be pro rata. Where the Ownership Limit applies to three or fewer persons, the creation of Excess Units shall also be pro rata.

Section 4. Prevention of Transfer.

If the Management Company shall at any time determine in good faith that any Person intends to acquire or has attempted to acquire Beneficial Ownership that would result in violation of Section 2(A) herein, the Management Company shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer, including refusal to effect such Transfer on the books of the Fund or proceedings to enjoin such Transfer.

Section 5. Notice to Fund.

Any Person who acquires or attempts to acquire Units in violation of Section 2 herein, or any Person who is a transferee such that Excess Units result under Section 2 herein, shall immediately give written notice to the Fund. Persons required to give notice under this Section 5 shall provide the Fund with such other information as the Fund may reasonably request in order to allow the Fund to apply the ownership, voting and transfer restrictions of this Article 14.

Section 6. information Reporting.

Every person owning 5% or more of the number or value of outstanding Units of the Fund shall provide to the Fund information as the Fund may reasonably request in order to allow the Fund to apply the ownership, voting and transfer restrictions of this Article 14.

Section 7. Ambiguities.

In the case of an ambiguity in the application of any of the provisions of this Article 14, including any definition contained in Section 1, the Management Company shall have the power to determine the application of the provisions of this Article 14 with respect to any situation based on the facts known to it.

Section 8. Increase or Decrease in Ownership Limit.

Subject to the limitations provided in Section 9 of this Article 14, the Management Company may from time to time increase or decrease the Ownership Limit. Any decrease may only be made prospectively as to subsequent holders.

Section 9. Waivers by the Management Company.

Notwithstanding Section 2 herein, the Management Company may exempt a person from the Ownership Limit if the Management Company obtains such representations and undertakings from such person as the Management Company may deem appropriate.

Section 10. Severability.

If any provision of this Article 14 or any application of any such provision is determined to be void, invalid or unenforceable by any court having jurisdiction over the issue, the validity and enforceability of the remaining provisions shall be affected only to the extent necessary to comply with the determination of such court.

Section 11. Rights in Respect of Excess Units.

The Excess Units Fiduciary shall hold the Excess Units transferred to it pursuant to this Article 14 for the exclusive benefit of the Purported Beneficial Transferee in accordance with the terms of this Section 11:

(a) the Excess Units Fiduciary shall be entitled to vote or decline to vote the Excess Units without reference to the Purported Beneficial Transferee and the Purported Beneficial Transferee shall not have the right to direct the Excess Units Fiduciary as to how such Units shall be voted.

(b) the Excess Units Fiduciary shall hold all distributions and the proceeds of the redemption of Excess Units for the benefit of the Purported Beneficial Transferee and shall account to it for all such payments.

(c) the Excess Units Fiduciary shall transfer Units to the order of the Purported Beneficial Transferee provided that no such transfer shall be in breach of Section 2(A). The proceeds of any sale on such transfer shall be remitted to the Purported Beneficial Transferee by the Excess Units Fiduciary.

The Management Company shall have a right to approve a transfer of Units to the effect of ensuring compliance with this Article 14, as well as ensuring the obligations of the transferee to fully pay any partly-paid Units.

Save as permitted by the Management Company, Unitholders are not permitted to pledge, hypothecate, or grant any other type of security interest in Units.

2 Restrictions on ProLogis' transfer of Units

ProLogis as a Unitholder and each Unitholder which is a ProLogis Related Party agrees not to sell, transfer or otherwise dispose of any of its Class B1 Units or B2 Units at any time prior to the earlier of (a) the date which is three years after the First Closing Date and (b) full draw down of the issue price of the Class A(1) Units (or the cancellation of the outstanding portion of such issue price pursuant to Article 9).

Subject as provided below, ProLogis agrees that it shall directly or indirectly through one or more entities, each of which shall be a ProLogis Related Party:

(i) after 1st January 2000 and prior to an IPO, maintain an aggregate ownership of Units representing the aggregate of the Invested Capital and outstanding committed capital of Class A Units, Class B1 Units and Class B2 Units (and any additional Classes or Series thereof or of other Units excluding Preferred Units) at or above 20 %; and

(ii) after an IPO, provided a decision was taken prior to conducting an IPO not to internalise certain management functions and activities as described in these Management Regulations, maintain an aggregate ownership of the Units representing the aggregate of the Invested Capital and outstanding committed capital of Class A Units, Class B1 Units and Class B2 Units (and any additional Classes or Series thereof or of other Units excluding Preferred Units) to at or above 10 %.

For the purposes of determining whether ProLogis has satisfied the ownership limits in paragraph (i) and (ii) above, holdings of Units which are held indirectly by ProLogis shall be calculated on the basis of the maximum economic interest in such holding of Units as can be attributed back to ProLogis on the basis of the economic interest owned directly or indirectly by ProLogis, in and through each such ProLogis Related Party.

Although ProLogis as a Unitholder and any Unitholder who is a ProLogis Related Party may sell, transfer or otherwise dispose of their Units to any ProLogis Related Party, no other sale, transfer or disposal of Units by ProLogis or any ProLogis Related Party shall be permitted that would otherwise cause a breach of this Part 2 of Article 14. Class B1 Units and Class B2 Units shall convert to Class A(1) Units on the basis of NAV of each Class of Units on the relevant Valuation Day if no longer owned by ProLogis or any ProLogis Related Party upon any sale permitted under this Part 2 of Article 14. ProLogis shall provide quarterly reports to Unitholders describing transfers in such quarter of Units by it or by any ProLogis Related Party to any person (other than to ProLogis or to any ProLogis Related party) and in such report ProLogis shall confirm that it has complied with the ownership limits in paragraph (i) and (ii) above.

Where ProLogis and any ProLogis Related Party shall fail to comply with the ownership limits in paragraph (i) and (ii) of this Part 2 of Article 14 by reason of a sale, transfer or disposal of Units by ProLogis or any ProLogis Related Party then:

(a) the base management fee which would otherwise be payable to the Management Company pursuant to Article 16 shall not accrue or be payable in respect of the period during which the breach of the ownership obligations under this Part 2 of Article 14 shall continue; and

(b) the Class A Unitholders shall be entitled to terminate the Management Company pursuant to Article 20 at any time during which the breach of such ownership obligations shall continue. Where the breach of such ownership obligations shall occur by reason of any event other than a sale, transfer or disposal by ProLogis or any ProLogis Related Party, then the Class A Unitholders shall be entitled to terminate the Management Company in accordance with paragraph (b) of this Part 2 of Article 14 but no other remedy or claim for loss shall apply in respect of such breach.

3 Tag-Along Rights

(a) In the event that ProLogis or any ProLogis Related Party (the «ProLogis Offeror») intends to sell, transfer or otherwise in any manner dispose of (including without limitation by merger, business combination or sale of all or substantially all of the assets of the Fund) Units of any Class or Series other than to ProLogis or any ProLogis Related

Party then the ProLogis Offeror shall provide written notice (the «Tag-Along Notice») of such transaction to each Class A Unitholder but excluding in all cases all Series of partly-paid Class A Units (the «Tag-Along Offeree») at least 15 days prior to the closing of such sale (the «Tag-Along Sale»). The Tag-Along Notice shall set forth: (i) the proposed amount of consideration and the terms and conditions of payment offered by such purchaser and the price per Class A Unit calculated in accordance with 3(b) below, (ii) the proposed date of the Tag-Along Sale, (iii) all other material terms and conditions of the Tag-Along Sale (the «Tag-Along Offer») and (iv) in respect of each Tag-Along Offeree the Maximum Sale Amount calculated as specified in 3(b) below. The ProLogis Offeror shall not be permitted to sell, transfer or otherwise dispose of any Units owned by it otherwise than as provided in this Article 14.

(b) The Tag-Along Offeree shall have the right and option, exercisable as set forth below, to accept the Tag-Along Offer to sell up to a number of Class A Units calculated as follows: (i) all the Units held by the ProLogis Offeror shall be deemed to be converted to Class A Units at relative NAV calculated in accordance with Article 11 (the «Conversion») and (ii) each Class A Unitholder shall have the right and option to sell up to a number of Class A Units held by it in an amount equal to the number of Class A Units held by it multiplied by a fraction, the numerator of which is the number of Class A Units following deemed Conversion which the ProLogis Offeror proposes to sell and the denominator of which is the total outstanding Class A Units after the deemed Conversion of the entire holding of Units of ProLogis and any ProLogis Related Party on the same basis (the «Maximum Sale Amount»).

The price at which each Class A Unit will be sold will be calculated by dividing the aggregate price the purchaser is willing to pay for the Units proposed to be sold by the ProLogis Offeror by the number of Class A Units which the ProLogis Offeror proposes to sell following the deemed Conversion described above.

(c) The terms of any sale of Class A Units by the Tag-Along Offeree pursuant to the exercise of its option under this Article 14 shall be the same terms as those for the sale of the Units to be sold by the ProLogis Offeror as set forth in the Tag-Along Notice subject to the provisions of 3(b) above.

(d) If the Tag-Along Offeree desires to exercise its option, it shall provide the ProLogis Offeror with irrevocable written notice specifying the number of Class A Units (which shall not exceed the Maximum Sale Amount) it owns and to which it is accepting the Tag-Along Offer, within 7 days after the date on which the Tag-Along Notice is given (the «Tag-Along Notice Period»). None of the fees, costs and expenses of whatever type incurred in connection with the Tag-Along Rights shall be borne by the Fund.

(e) If at the termination of the Tag-Along Notice Period, the Tag-Along Offeree shall not have accepted the Tag-Along Offer, the Tag-Along Offeree will be deemed to have waived its rights under this Article 14 with respect to the sale or other disposition of any Units pursuant to such Tag-Along Offer as described in the Tag-Along Notice. The ProLogis Offeror shall have 60 days in which to sell the Units it is permitted to sell pursuant to this Article 14 at a price not higher than that contained in the Tag-Along Notice and on the terms that are not materially different from those contained in the Tag-Along Notice and otherwise in compliance with this Article 14. If, at the end of such 60-day period, the ProLogis Offeror has not completed the sale of such Units, this Article 14 shall again apply to subsequent offers and sales of Units by the ProLogis Offeror.

(f) Notwithstanding anything contained in this Article 14, there shall be no liability on the part of the ProLogis Offeror to any person if the sale of the Units pursuant to this Article 14 is not consummated for whatever reason other than because of the breach by the ProLogis Offeror of its obligations under this Article 14. The ProLogis Offeror shall have full and absolute discretion to effect or not to effect a sale of Units pursuant to this Article 14.

At IPO, such selling restrictions and tag-along rights shall cease to apply.

4 Transfer of Units - Minimum Holding

Class A and Class C Unitholders may transfer their Units provided that any proposed transfer of Class A Units (or any Series thereof) or Class C Units (or any Series thereof) of less than 100,000 Class A Units or Class C Units, or such lesser amount as shall be approved by the Management Company, shall not be valid unless such transfer shall be a transfer of all the Class A Units or Class C Units (as the case may be) held by such Unitholders, or unless such transfer shall be by a Unitholder pursuant to its Tag-Along Rights in Part 3 of this Article 14. The Management Company may prescribe in respect of other Classes of Units (or any Series thereof) minimum amounts which shall be required for such a transfer to be treated as valid.

5 Marketing Restrictions of Finland

In relation to the offer of Units in Finland or to Finnish investors, only «professional investors» (as such term is defined in the Investment Funds Act currently in force in Finland at the date of these Management Regulations) are permitted to subscribe for Units.

6 General Transfer Restrictions

The Fund will not recognise any attempted resale, pledge or other transfer of Units unless made in accordance with the transfer restrictions imposed in any subscription for Units.

7 French 3 % Tax

The Fund shall be entitled not to register the transfer of Units if it reasonably determines that an entity which owns or owned such Units, directly or indirectly, is a Non-Exempt Unitholder and the Fund or any Relevant Entity (as defined in Article 18) may be liable to pay any French 3 % Tax as a result of such ownership and there are no reasonably satisfactory alternative arrangements for the payment of such French 3 % Tax by the relevant Non-Exempt Unitholder.

8 General

In the absence of any indication of joint holding and save in respect of a specific Class or Series of Units identified in a Private Placement Memorandum where a separate agreement has been made with the person in whose name such Units are registered in the Unit register, the Management Company or any duly appointed agent thereof may regard, and shall be fully protected in dealing with, the person in whose name Units are registered in the Unit register as being the

absolute owner of such Units, and shall be entitled to disregard, and take no notice of, any right, interest or claim of any other person in or to such Units.

In order to give effect to the provisions on the restrictions on Transfer of Units described above, any certificates evidencing the Units will be endorsed with a legend describing the substance of those provisions and restrictions.

Art. 15. Redemption of Units

Units shall not be redeemable at the option of Unitholders.

Units shall be redeemed by the Management Company in accordance with the provisions set out in Articles 9 and 23. In addition, Units may be called by the Management Company for redemption in the following circumstances:

(i) if the continued participation of a Unitholder is likely to cause the Fund or the Management Company to violate any material law, regulation, or interpretation or would result in the Fund, the Management Company or any Unitholder suffering material taxation or other economic disadvantages which they would not have suffered had such person ceased to be a Unitholder;

(ii) if such Unitholder has materially violated any provision of these Management Regulations;

(iii) if the Units were acquired or are being held, directly or indirectly, by or for the account or benefit of any person in violation of the provisions of these Management Regulations;

(iv) if in the opinion of the Management Company (a) such redemption would be appropriate to protect the Fund from registration of the Units under the U.S. Securities Act of 1933, as amended, from registration of the Fund under the U.S. Investment Company Act of 1940, as amended, or to prevent the assets of the Fund from being considered assets of an employee benefit plan subject to ERISA; or (b) the holding of such Units would cause material regulatory or tax or other fiscal disadvantage to the Fund; and

(v) such other circumstances as the Management Company may determine where continued ownership would be materially prejudicial to the interests of the Fund or its Unitholders.

Units which are to be redeemed by the Fund may be redeemed by the Fund upon the Management Company giving to the registered holder of such Units not less than thirty (30) days notice in writing of the intention to redeem such Units specifying the date of such redemption, which must be a day on which banks in Luxembourg are open for business.

The amount payable on such redemption of Units shall be the NAV of the Units of the relevant Class (or Series thereof) on the most recent Valuation Day prior to redemption. Such redemption amount shall be payable without interest, as soon as practicable (having regard to the liquidity of the Portfolio and the interest of Unitholders) after the effective date of the redemption and may be paid in cash or marketable securities. Costs associated with the redemption may, if the Management Company so decides, be charged to the Unitholder whose Units are redeemed and such costs may be deducted from the redemption proceeds payable to the Unitholder in circumstances where the Management Company has exercised its power to redeem Units pursuant to paragraph (ii) or (iii) of this Article 15. Any Units in respect of which a notice of redemption has been given shall not be entitled to participate in the profits of the Fund in respect of the period after the date specified as the date of redemption in the notice of redemption.

At the date specified in the notice of redemption, the Unitholder whose Units are being redeemed shall be bound to deliver to the Management Company or any duly appointed agent thereof the certificate issued in representation of the relevant Units for cancellation.

In order to give effect to the provisions on redemption of Units described above, any certificates evidencing the Units will be endorsed with a legend describing the substance of those provisions and restrictions.

The Fund shall seek to qualify as a «real estate operating company» under the United States Employee Retirement Income Security Act 1974 («ERISA») and will therefore be exempt from the application of ERISA. Should the Fund be subsequently determined to be subject to ERISA, it may redeem Units held by pension plans and other retirement funds pro rata to the extent necessary to cause such investors, as a group, thereafter to own less than 25 % of the outstanding Units of any Class.

Art. 16. Charges and Expenses of the Fund

The Fund will bear the following charges and expenses in respect of it:

(i) the fees and expenses of the Management Company as further set forth below;

(ii) operating expenses including all taxes, duties, stamp duties, governmental and similar charges, commissions, foreign exchange costs, bank charges, registration fees relating to investments, insurance and security costs, expenses of the issue, exercise and redemption of Units; (iii) usual brokerage and other transaction fees and expenses (including, without limitation, legal, accounting, surveyor's and other professional fees) incurred on transactions with respect to the acquisition or disposal or proposed acquisition or disposal of the Portfolio and related expenses and valuation fees charged by the Independent Appraisers in connection with the acquisition or disposal of Distribution Facilities;

(iv) the fees and expenses of the Custodian and any Correspondent, Administrative, Listing and Paying Agent, Registrar and Transfer Agent, Domiciliary and Service Agent, any paying agent, any distributors and permanent representatives in places of registration of the Fund, as well as any other agent employed by the Management Company for and on behalf of the Fund plus any applicable value added taxes;

(v) travel and other out-of-pocket expenses incurred by the Independent Members;

(vi) accounting, due diligence, legal, surveyors', building contractors', estate managers' and other service providers in relation to the Portfolio and all other fees and expenses incurred by the Management Company acting in respect of the Fund;

(vii) all costs and expenses relating to the formation of the Fund and the placement of Units in the Fund and costs and expenses incurred pursuant to the Existing Property Contribution Agreement and the Stabilised Property Contribution Agreement. The expenses of formation shall include, but shall not be limited to, placement agents fees and out-of-pocket expenses, legal, accounting, surveyor's, valuation and other professional fees and expenses, and any amounts advanced

by ProLogis on behalf of the Fund including (without limitation) any amounts incurred in respect of the proposed debt financing of the Fund, all of which will be amortised over such period not exceeding 5 years as the Management Company shall determine;

(viii) reporting and publishing expenses, including the cost of preparing and/or filing of these Management Regulations and all other documents concerning the Fund, including the Private Placement Memorandum and explanatory memoranda and registration statements with all authorities having jurisdiction over the Fund or the offering of Units of the Fund; the cost of preparing, in such languages as are required for the benefit of the Unitholders, including the beneficial holders of the Units, and distributing annual and all other periodic reports and such other reports or documents as may be required under the applicable laws or regulations of the above-cited authorities and the costs and expenses of local representatives appointed in compliance with the requirements of such authorities;

(ix) the cost of preparing and distributing public notices to the Unitholders and the cost of convening Unitholders' Meetings;

(x) expenses incurred in determining the Fund's net asset value;

(xi) the costs of preparing, printing and distributing all valuations, statements, accounts and performance and investment reports;

(xii) auditor's fees and expenses;

(xiii) the costs of amending and supplementing these Management Regulations, and all similar administrative charges;

(xiv) costs incurred to enable the Fund to comply with legislation and official requirements provided that such costs are incurred substantially for the benefit of the Unitholders and any fees and expenses involved in registering and maintaining the registration of the Fund with any Governmental agencies or listing of Units on the Luxembourg Stock Exchange or on stock exchanges in any other country; and

(xv) all other costs and expenses in connection with the operations or administration of the Fund and the Portfolio and the achievement of the Investment Objective and Policy.

Where appropriate, the fees and expenses borne by the Fund may be charged to the Fund's subsidiaries.

ProLogis shall be responsible for the discharge of that proportion of the fees and expenses payable to the Administrative, Listing and Paying Agent and the Domiciliary and Service Agent in respect of their functions for ProLogis MASTER, S.à r.l. and its wholly-owned Luxembourg subsidiaries as shall equal the proportion of the aggregate number of outstanding shares of ProLogis MASTER, S.à r.l., as shall be held by ProLogis or any ProLogis Related Party during the period in which the fees and expenses accrued. Subject to the provisions in Part 2 of Article 14, the Fund will pay the Management Company or its designee a base management fee semi-annually in arrears in cash on each semi-annual Valuation Day (commencing on 30 June 2000) equal to a percentage of the value of the Fund's interest (direct or indirect) in fixed assets and in the net cash proceeds of sales of fixed assets pending reinvestment determined as of such Valuation Day as follows:

(i) 0.75 % per annum on the first € 2 billion of the interest (direct or indirect) of the value of such fixed assets and proceeds; and

(ii) 0.50 % per annum above € 2 billion of the interest (direct or indirect) of the value of such fixed assets and proceeds.

Any fees paid to the Investment Managers pursuant to Article 5 shall be deducted from the base management fee payable by the Fund to the Management Company which is specified above in accordance with the terms of the Investment Management Agreement.

In respect of Distribution Facilities (other than those contained in the Contributed Portfolio), property management fees and expenses shall not be borne by the Fund. Such fees and expenses up to a maximum of 3 % of the aggregate rental revenue of the Portfolio may be charged by ProLogis or a ProLogis Related Party (through the Fund as landlord) to tenants of the Portfolio. In the event of any internalisation of management made pursuant to Article 4 and occurring on an IPO, the UAC shall have determined whether the base management fee paid to the Management Company should be revised so that in the place of part of the fixed base management fee the Fund (or any successor vehicle) shall bear the effective cost of employing such personnel and providing such services as are determined by the UAC pursuant to Article 4 shall be directly employed or provided respectively by the Management Company.

In addition the Investment Management Agreement shall be amended and the base management fee will be adjusted to reflect the reduced level of service provided by the Investment Managers to the Fund (or any successor vehicle).

The Fund (or the successor vehicle) shall compensate ProLogis or any ProLogis Related Party for such loss of income from the base management fee. Such compensation shall be approved by the UAC and shall be in accordance with then-accepted and appropriate market practice based on the recommendation of an independent advisor/investment bank approved by the UAC. It shall be calculated by applying a multiple to the gross amount of base management fee, which ProLogis or any ProLogis Related Party would forego during the 12 months immediately following the execution of the changes determined by the UAC pursuant to Article 4 for the internalisation of management. The basis for the calculation of such compensation shall be the base management fee arising in respect of:

* the Fund's then-existing Portfolio; and

* any other newly-developed Distribution Facilities which the UAC and ProLogis or any ProLogis Related Party agree will be contributed during the 12 months following the internalisation of management.

Such multiple shall be not lower than 1.30 multiplied by, nor greater than 1.45 multiplied by, such foregone fees. In any event, the absolute amount of such compensation paid by the Fund (or any successor vehicle) to ProLogis or any ProLogis Related Party shall not be less than € 25 million, nor shall it exceed € 45 million.

The balance of the base management fee shall continue to be paid to ProLogis or any ProLogis Related Party by the Fund (or any successor vehicle) in the form of an annual «franchise» fee in respect of:

* provision of strategic direction;

* continued use of the ProLogis brand name; and
* the Fund's (or the reorganised vehicle's) continued access to, and service from, the ProLogis Operating System™, which shall continue to be available to the Management Company upon internalisation of management on a non-exclusive basis including, but not limited to, its Global Services Group's marketing activities and customer relationships.

This franchise fee shall be set, at the time of such internalisation of management, at 0.30 per cent per annum of the value of the Fund's (or successor vehicles) fixed assets and net cash proceeds of sales of fixed assets pending reinvestment.

Art. 17. Fiscal Year, Audit and Information

The Management Company or any agent thereof shall maintain the principal records and books of the Fund in Luxembourg. The fiscal year and the accounts of the Fund will begin on 1 January and end on 31 December in each year during the term of the Fund except that the first fiscal period of the Fund shall end on 31 December 2000 and the last fiscal year of the Fund shall terminate on the date of the final distribution in winding-up of the Fund. The first interim report of the Fund, being a non-audited report, is expected to be published for the period ending 31 December 1999. The first annual report, being an audited report, is expected to be published for the period ending 31 December 2000. The accounts of the Fund will be audited by independent auditors who shall be appointed by the Management Company with the approval of the UAC. The accounts of the Fund will be prepared in Euro.

The Management Company shall, subject to reasonable notice, give Unitholders and their appointed agents access to all financial information of the Fund reasonably requested by such Unitholders to enable Unitholders to prepare tax returns and other regulatory filings. Any expenses incurred by the Management Company or the Fund in preparing specific information for or giving access to a Unitholder to such information shall be reimbursed together with value added tax (if applicable) by the relevant Unitholder, and in the absence of such reimbursement may be deducted by the Management Company from distributions made to such Unitholder pursuant to these Management Regulations. The Management Company shall in consultation with the UAC seek to develop an information circular containing material information about the Fund and its activities which will be issued on a quarterly basis to Unitholders.

Each Unitholder shall provide from time to time such information to the Fund as may be reasonably requested for the purpose of determining to what extent any Units are owned, directly or indirectly, by a Non-Exempt Unitholder and the Fund shall provide such assistance as any Unitholder may reasonably request in connection thereunder.

Art. 18. Distributions

Distributions of Distributable Cash Flow (which will be fully distributed in respect of the Units, subject to any legal restrictions on distributions) will be made semi-annually (within 30 days following the relevant Valuation Day) (or more frequently in the case of accrued and unpaid returns on Preferred Units) in the following sequence to Units which may be issued by the Fund:

(i) Class C(1) Units and Preferred Units with the same ranking as Class C(1) Units will receive pro-rata payment of amounts of accrued and unpaid preferred returns plus interest on any such accruals at the rate of preferred return specified in Part I of the Schedule;

(ii) Class C(1) Units and Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) with the same ranking as Class C(1) Units will receive pro-rata payment of an amount in respect of each Preferred Unit, calculated to provide a return at the rate of preferred return specified in Part I of the Schedule on the average Invested Capital per Preferred Unit over the period from the preceding payment date;

(iii) Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) which are subordinated to Preferred Units in paragraphs (i) and (ii) above will then receive payment on the same basis as in paragraphs (i) and (ii) in the order of subordination; and

(iv) all other Units (excluding Units which are Defaulted Units pursuant to Article 9) will receive 100 % of all remaining Distributable Cash Flow in accordance with the following Distribution Formula.

The payment of Distributable Cash Flow on a Unit (other than Preferred Units and Units which are Defaulted Units pursuant to Article 9, all of which shall be excluded from the following formula) pursuant to paragraph (iv) above shall be determined by the Distribution Formula:

$$\frac{AD}{TNU} \times \frac{A}{B}$$

where:

«AD» is the total amount available for distribution pursuant to paragraph (iv);

«TNU» is the aggregate, for all Classes of Units (or Series thereof) which are to participate in AD, of

$$\left[\frac{A}{B} \times TCU\right]$$ in respect of each such Class (or Series), where:

«A» is the average Invested Capital of the Unit over the period from the preceding payment date of a distribution on such Unit;

«B» is the issue price of the Unit in the same Class or Series as in «A»

«TCU» is the total number of Units in the same Class or Series as in «A».

If a cash distribution on any Class of Preferred Units is unpaid and accruing, no cash distributions will be made in respect of any other Class of Units (or Series thereof) which may be issued by the Management Company until all such unpaid amounts, together with interest thereon, have been paid. To the extent the Fund or any entity which (i) owns,

directly or indirectly, wholly or partially, any relevant asset and which (ii) is owned, wholly or partially, directly or indirectly, by the Fund (a «Relevant Entity») is liable to pay any French 3 % Tax because of the ownership, directly or indirectly, by any Non-Exempt Unitholder of Units and such French 3 % Tax is not paid by the relevant Non-Exempt Unitholder on its own account, the Non-Exempt Unitholder shall pay the amount of the French 3% Tax to the Fund or as the Management Company may direct prior to the time it becomes payable by the Fund or any such Relevant Entity. To the extent not so paid, the Fund may deduct and set off the amount of such French 3% Tax from distributions on (a) any Units owned, directly or indirectly, by the relevant Non-Exempt Unitholder and (b) any Units in relation to which the direct owner of the Units remains the same but the relevant Non-Exempt Unitholder has ceased to be the owner, direct or indirect, of such direct owner.

Art. 19. Amendments to the Management Regulations

As prescribed in and subject to the provisions of Articles 9 and 21, the Management Company may amend these Management Regulations and make additions to the Schedule for the purposes of issuing Units of different Classes or Series within such Classes without the consent of the Custodian or Unitholders, including ProLogis.

In addition, but without limitation to such power in respect of the issue of Units, the Management Company may amend these Management Regulations in whole or in part at any time in the interest of the Unitholders, or in order to comply with fiscal or other statutory or official requirements affecting the Fund, or as otherwise specifically provided in these Management Regulations, but no such amendment may be made which would, in the judgement of the Management Company, to any material extent, release any person from any liability or duty to Unitholders or which would increase the costs and charges payable by the Fund. No amendment shall become effective in the absence of the consent of the Custodian to such change. To the extent no such consent is given by the Custodian in relation to the proposed amendments to the Management Regulations, no such amendment may be made without the approval of Unitholders or, in the case where not all Classes of Units are being impacted, the Unitholders of the Class or Classes of Units being impacted by the proposed amendment by the simple majority vote prescribed in Part 2 of Article 21.

Where practicable, Unitholders will be given 15 Business Days notice of all amendments that are adopted without their consent in accordance with the foregoing.

Additions to the Schedule and amendments to these Management Regulations will become effective on the date of their signature by the Management Company.

Art. 20. Replacement of Management Company

On the 20th anniversary of the First Closing Date and every five years thereafter, Class A Unitholders will have the opportunity to remove the Management Company by a 67 % vote of Class A Units.

The Management Company may be terminated by action of Class A Unitholders at any time in the event of (i) gross negligence, wilful misconduct or fraud by the Management Company; or (ii) failure by ProLogis or a ProLogis Related Party to observe the ownership and restrictions on transfer of Units set out in Part 2 of Article 14. The decision to terminate the Management Company in each such event is subject to the approval of a simple majority of Class A Units.

In circumstances where no successor Management Company can be found within two months of such termination, pursuant to Luxembourg law the Fund will be wound up in accordance with the winding-up provisions in Article 23.

The Management Company shall not until the date which is 10 years after the First Closing Date (i) subject to termination for gross negligence, wilful misconduct or fraud, be terminated or resign otherwise than pursuant to the terms of this Article 20, or (ii) terminate the Fund save with the consent of the affirmative vote of Units as prescribed in Article 23.2.

Art. 21. Unitholders' Meetings

1 General

The general meeting of Unitholders shall be convened by the Management Company. It may also be convened upon the request of (i) Unitholders representing at least one fifth of the Invested Capital, provided that Invested Capital in respect of Units of any Class shall be disregarded to the extent such Units are not entitled to vote on any point on the agenda of the proposed general meeting or (ii) in relation to Class specific meetings of Unitholders representing at least one fifth of the Invested Capital of the relevant Class of Units.

Notice of any such meeting of Unitholders containing the agenda, the time and the place for the meeting shall be sent by the Management Company or any agent thereof to all Unitholders at their registered addresses not less than 14 days prior to the date of the meeting unless such notice is waived by 100% of the Units present or represented at that meeting. The agenda shall be prepared by the Management Company except in the instance where the meeting is called upon the request of Unitholders in which instance the Management Company may prepare a supplementary agenda.

Unitholders may participate in any general meetings of Unitholders in person or by written proxy granted specifically for the Unitholders' meeting at which it is to be exercised.

The quorum at a general meeting shall be at least four Unitholders present or represented holding at least 50% of all Units outstanding on the date of the meeting unless otherwise stated herein, provided however that Classes of Preferred Units shall be disregarded in order to determine whether the meeting is quorate to the extent such Units are not entitled to vote. For Class specific meetings, the quorum shall be fifty per cent. (50 %) of all Units of the relevant Class, unless otherwise stated herein.

No decisions can be taken if the quorum is not reached and in such case the meeting shall be dissolved. If such a quorum is not reached at the first general meeting, a second general meeting shall automatically be held on the day falling 14 days after the date of such inquorate meeting (provided that day is a business day in Luxembourg, and if that is not the case, it shall be held on the first business day falling thereafter) and such meeting shall not be subject to quorum requirements.

Except as otherwise provided in this Article, each Unitholder present in person or represented by written proxy and having a right to vote pursuant to these Management Regulations shall have one vote for each Unit held, provided that if Units are not fully paid-in, the voting rights attached thereto shall be proportionate to Invested Capital. Units of the same Class and of the same Class issued in Series shall vote as a single Class. Fractional Units shall have no rights to vote.

The Management Company shall be responsible for ensuring that the resolutions adopted at Unitholders meetings are implemented.

2 Right to vote

Units shall be entitled to vote in respect of the matters identified in these Management Regulations, as set forth below:

If ProLogis or any ProLogis Related Party shall become a Unitholder of Class A Units or Class C Units, ProLogis or any ProLogis Related Party will agree not to vote such Class A Units and such Class C Units at any time prior to an IPO pursuant to Article 10 or prior to the completion of a tender in accordance with Article 23.

The approval or removal of Independent Members of the UAC shall be subject to a vote of Class A Units and Class C Units and the applicable provisions regarding Representative Independent Members as specified in Article 4. The approval or removal of a ProLogis Member of the UAC shall be subject to a vote of Class B1 Units and Class B2 Units as specified in Article 4.

Where no consent has been given by the Custodian under Article 19, any change to the Management Regulations requires the approval of a simple majority of all Classes of Units present or represented at a meeting convened to approve the change. Where any such change only impacts on a specific Class or Classes of Units, such Class or Classes of Units shall only be required to vote by a simple majority to approve such change.

The Management Company may be terminated by a vote of Class A Units as prescribed in Article 20.

Article 23 contains specific provisions in respect of Unitholder votes in respect of a change of legal form, duration and winding-up of the Fund.

3 Further Issues

In the event that any new Classes of Units or Series within such Classes are issued pursuant to Article 9 and Article 19 such Units shall, in the case of Preferred Units, have no greater voting rights than the Class C(1) Units and, in the case of other Units, shall have no greater voting rights than the Class A(1) Units.

Art. 22. Publications, Communications

The audited annual and unaudited semi-annual reports and all other periodic reports of the Fund including, without limitation, the summary quarterly unaudited reports that are provided to ProLogis will be mailed to Unitholders at their request at their registered addresses and also made available to the Unitholders at the registered offices of the Management Company, and the Custodian.

Any amendments of these Management Regulations, including the dissolution of the Fund, will be published in the Mémorial, Recueil des Sociétés et Associations of Luxembourg and in such newspapers as shall be determined by the Management Company or required by authorities having jurisdiction over the Fund or the sale of its Units. Notices to Unitholders shall be published in such newspaper as shall be determined by law and by decision by the Management Company or required by authorities having jurisdiction over the Fund or the sale of its Units.

All communications of investors with the Fund should be in writing and addressed to the Management Company at 25B, boulevard Royal, L-2449 Luxembourg.

Art. 23. Change of Legal Form, Duration of the Fund, Winding-up

1 Change of Legal Farm and IPO

Subject as mentioned below, any change in legal form of the Fund must be approved at a general meeting of Unitholders by an affirmative vote of sixty-seven per cent (67 %) of each of the Class A Units and Class C Units voting together, and each of the Class B1 Units and Class B2 Units voting together, thus requiring at least sixty-seven per cent (67 %) of the Units in each such groups of Classes to be present or represented at such general meeting, unless the consent of all Units is required by Luxembourg law. No further quorum requirements have to be complied with in relation to such general meeting.

In the event of a change in United States tax law and regulations governing the taxation of real estate investment trusts adversely affecting the United States tax treatment of ProLogis' direct or indirect investment in the Fund, the Management Company may take steps to change the legal form of the Fund or the legal domicile of the Fund subject to applicable laws including, without limitation, required Unitholder consents.

The Management Company intends to conduct, subject to market conditions, an IPO of Units in the Fund or securities of a suitable vehicle into which the Fund might be re-organised (which may include a company) on a major European stock exchange as the preferred liquidity method. Following approval of the UAC pursuant to Article 4, any decision to proceed with an IPO must be confirmed by a simple majority of the aggregate of the Class A Units, Class B1 Units and Class B2 Units. In the event the Management Company does not complete such an IPO/listing as intended, Unitholders will achieve liquidity through the sale of assets or a winding-up of the Fund in accordance with the provisions mentioned herein.

2 Duration of the Fund - Liquidation

Years 1-7

Any resolution to wind up the Fund on or before the date which is seven years after the First Closing Date shall require the consent of sixty-seven per cent (67%) of Units of each Class.

Years 7-10

If an IPO is not completed by the date which is seven years after First Closing Date, Class A Unitholders (other than ProLogis and any ProLogis Related Party) shall have the right to resolve within any 60-day period following a Valuation Day (the «Trigger Valuation Day») to wind up the Fund on the following basis:

Any resolution to so wind up the Fund shall require a sixty-seven per cent (67%) affirmative vote by Class A Units.

Following any such resolution by Class A Unitholders (other than ProLogis and any ProLogis Related Party), ProLogis or any ProLogis Related Party shall have the option for 90 days from the date of such resolution:

(i) to purchase for cash the entire Portfolio at the net asset value of the Portfolio plus the assumption of debt in respect of the Portfolio;

(ii) to require the Management Company compulsorily to redeem for cash all Units not held by ProLogis or any ProLogis Related Party at NAV of each relevant Class (or Series thereof) calculated in accordance with Article 11 provided that ProLogis shall subscribe to such number of additional Units in order to provide sufficient cash to the Fund to enable such redemption to take place; or

(iii) to make a tender offer for all Units not held by ProLogis or any ProLogis Related Party at a value to be determined by ProLogis or any ProLogis Related Party with any combination of cash or ProLogis common shares, subordinated debt, preferred shares or any consideration as ProLogis or a ProLogis Related Party may in its sole discretion deem appropriate.

In the event of either (i) or (ii) above, provided the purchase or redemption is completed prior to the Valuation Day immediately following the Trigger Valuation Day, such purchase shall be at the net asset value of the Fund or such redemption shall be at the NAV of each relevant Class or Series thereof, calculated as at the Trigger Valuation Day. If, however, ProLogis or any ProLogis Related Party is unable to complete the purchase or redemption prior to the Valuation Day immediately following the Trigger Valuation Day, ProLogis or any ProLogic Related Party may, but shall not be obligated to, purchase or redeem, as the case may be, at a purchase or redemption price calculated on the same basis as at such Valuation Day provided that the purchase or redemption is completed within 60 days of such Valuation Day.

In the event of the transaction set out at (i) above, the Management Company will wind up the Fund and make distributions to Unitholders in accordance with the distribution of cash flow upon a winding-up of the Fund as prescribed in Article 23.1.

In respect of (iii) above, ProLogis shall not proceed with the tender offer if the tender is accepted in respect of less than 85 % of the outstanding Units not held by ProLogis or any ProLogis Related Party. If the tender is accepted in respect of 85 % or more of such Units, ProLogis shall have the right on 5 days notice to all Unitholders to complete the tender on the terms set out in the tender offer in respect of those Units for which acceptances have been received or to terminate the tender offer totally. In the event that none of (i), (ii) or (iii) above is completed, then the Management Company shall wind up the Fund in accordance with the procedure set out below.

At Year 10

If no IPO is completed by the end of the date which is 10 years after the First Closing Date, the Fund will automatically terminate and the Management Company will wind-up the Fund.

In the event of a winding-up of the Fund, the Management Company will seek to complete the winding-up process as soon as practicable in compliance with the provisions set forth under Luxembourg law but in any event within three years of commencement. During the winding-up period the Independent Appraiser will continue to provide appraisals of OMV on Valuation Days and subsequent asset disposals shall be made having had regard to such appraisals of OMV. Any distributions to ProLogis or a ProLogis Related Party in their capacity as Unitholders in respect of any winding-up may be made in specie subject to receipt by the Management Company of an appraisal of OMV by the Independent Appraiser and the approval of five Members (including at least two Independent Members), after the Management Company shall have solicited bids from potential third party buyers so as to realise the highest possible purchase price for the Portfolio as a whole.

In the event of a winding-up of the Fund, the Management Company will realise the assets of the Fund in the best interests of the Unitholders, and the Custodian, upon instructions given by the Management Company, will distribute the net proceeds of winding-up, after deduction of all winding-up expenses, among the Unitholders, as mentioned hereafter.

Minimum size of Fund

Pursuant to the 1988 Law, the net assets of the Fund may not be less than 50 million Luxembourg Francs (€ 1,250,000). Such legal minimum must be reached within a period of six months following the approval of the Fund by the Supervisory Authority.

The Management Company must inform the Supervisory Authority without delay if the net assets of the Fund shall fall below two thirds of the legal minimum.

If the net assets of the Fund fall below such legal minimum, the Supervisory Authority may require the Management Company to wind up the Fund. The winding-up shall be carried out by one or more liquidators in accordance with the 1988 Law specifying the steps to be taken to enable Unitholders to participate in the distribution of liquidation proceeds and provide for a deposit in escrow at the Caisse des Consignations at the close of the liquidation.

Amounts not claimed within the statutory liquidation period shall be forfeited in accordance with the provisions of Luxembourg law.

3 Winding-up

In the event of winding-up of the Fund, allocation of Residual Value shall be made in the following sequence to Units issued by the Fund:

(i) Preferred Units with the same ranking will receive pro-rata payment of amounts of accrued and unpaid preferred returns plus interest on any such accruals at the appropriate rate specified in Part II of the Schedule;

(ii) Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) with the same ranking will receive payment of a preferred return on the average Invested Capital per Unit for the period from the preceding Cash Flow Distribution date at the rate specified in Part II of the Schedule;

(iii) Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) with the same ranking will receive a return of Invested Capital per Unit;

(iv) Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) which are subordinated to Preferred Units in paragraphs (i) to (iii) inclusive, will then receive payment on the same basis as in paragraphs (i) to (iii) inclusive in the order of subordination;

(v)

(a) all Units other than Preferred Units (excluding Units which are Defaulted Units pursuant to Article 9) will receive out of remaining Residual Value a return of the Original Issue Price pro rata to the number of all such Units (adjusted where a Unit is partly paid so that such Unit only receives a proportion of Original Issue Price equal to the proportion which Invested Capital bears to the issue price of such Unit); and Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) shown in Part II of the Schedule to be eligible for allocation under this paragraph (v) will receive amounts calculated in accordance with Part II of the Schedule;

(b) Units (excluding Units which are Defaulted Units pursuant to Article 9) of any Class shown in Part II of the Schedule to be eligible for an allocation of Residual Value under this paragraph (v) will receive out of remaining Residual Value pro rata to the number of Units which are eligible to participate a return per Unit equal to the highest amount of Invested Capital in excess of the Original Issue Price paid in respect of a Unit which participates in this paragraph (v); and the Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) shown in Part II of the Schedule to be eligible for an allocation under this paragraph (v) will receive the amounts calculated in accordance with Part II of the Schedule.

(vi) Units (excluding Units which are Defaulted Units pursuant to Article 9) of any Class shown in Part II of the Schedule to be eligible for allocation of Residual Value under this paragraph (vi) shall receive amounts calculated in accordance with Part II of the Schedule; in the event the Residual Value is insufficient to make in full all allocations to which all Classes are entitled under this paragraph (vi), such remaining Residual Value will be distributed to Units so eligible pro rata to the number of Units; and the Preferred Units (excluding Preferred Units which are Defaulted Units pursuant to Article 9) shown in Part II of the Schedule to be eligible for allocation under this paragraph (vi) will receive amounts calculated in accordance with Part II of the Schedule pro rata to the total entitlement of Units eligible to receive allocations under this paragraph (vi);

(vii) Class B1 Units will receive 20% of remaining Residual Value;

(viii) Defaulted Units will receive a return out of remaining Residual Value pro rata to Invested Capital on each Defaulted Unit until all such Invested Capital is repaid;

(ix) all Units other than Preferred Units (excluding Units which are Defaulted Units pursuant to Article 9) will receive a payment of Residual Value to each Unit pro rata to the number of outstanding Units; and Preferred Units (excluding Units which are Defaulted Units pursuant to Article 9) shown in Part II of the Schedule to be eligible for allocation under this paragraph (ix) will receive amounts calculated in accordance with Part II of the Schedule. To ensure that on a winding-up of the Fund the Class B1 Units obtain their appropriate entitlement (if any) under paragraph (vii) above, the Fund shall maintain an escrow account and on each distribution to Unitholders of proceeds in respect of the sale of assets in the winding-up there shall be paid to, or deducted from, the escrow account such amount as shall ensure at the time of such distribution that the Class B1 Units shall have allocated to them their entitlement (if any) under paragraph (vii) above.

Interest at market rates shall accrue on amounts deposited in the escrow account.

Art. 24. Indemnification and Standard of Care

Subject to the provisions of Articles 14, 18 and 19 of the 1988 Law, in performing its functions under these Management Regulations the Management Company shall act with due diligence and in good faith in the best interests of the Unitholders and the Custodian shall use reasonable care in the exercise of its functions. The Management Company and the Custodian and their respective managers, directors, officers, employees, partners and agents (including any Correspondent) and the UAC as a body or any Member of the UAC shall not be liable for any error of judgement or mistake of law, for any loss suffered by the Fund or for any actions taken or omitted to be taken in connection with the matters to which these Management Regulations relate, except for, in the case of each considered individually, any loss resulting from:

(a) in the case of the Management Company or Custodian, the non-fulfilment or improper fulfilment of the Management Company's or Custodians, as the case may be, obligations under Luxembourg law; and;

(b) in the case of the UAC as a body or any Member thereof, gross negligence, wilful misconduct or fraud in the exercise of its functions.

The Management Company, the Custodian, any Correspondent, and any distributors appointed by the Management Company and their respective managers, directors, officers, employees, partners, members and shareholders and Members of the UAC and, in the case of individuals among the foregoing, their personal representatives (collectively «Indemnitees» and individually an «Indemnitee») shall be indemnified and held harmless out of the assets of the Fund against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by an Indemnitee in or about the conduct of the Fund's business affairs or in the execution or discharge of his duties, powers, authorities or discretions in accordance with the terms of the appointment of the Indemnitee, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether success-

fully or otherwise) any civil proceedings concerning the Fund or its affairs in any court whether in Luxembourg or elsewhere, unless such actions in the conduct of the Fund's affairs or in the execution or discharge of his duties shall have resulted from:

(a) an intentional, material violation of these Management Regulations, wilful misconduct, fraud, malfeasance by an Indemnitee;

(b) in the case of the Management Company or the Custodian and Indemnitees performing functions for and on behalf of the Management Company or the Custodian, the non-fulfilment or improper fulfilment of the Management Company's or the Custodian's, as the case may be, obligations under Luxembourg law;

(c) in the case of any Correspondent and Indemnitee performing functions for and on behalf of any Correspondent, negligence; and

(d) in the case of the UAC as a body or any Member thereof, gross negligence, wilful misconduct or fraud.

No Indemnitee shall be liable (i) for the acts, receipts, neglects, defaults or omissions of any other Indemnitee or (ii) for any loss on account of defect of title to any property of the Fund or (iii) for any loss occasioned by any default, breach of duty, breach of trust, error of judgement or oversight on his part or (iv) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of his office or in relation thereto, if the Indemnitee in good faith determined that such act or omission was in, or not opposed to, the best interests of Unitholders, and such act or omission does not constitute:

(a) a material violation of these Management Regulations, wilful misconduct, fraud, malfeasance by such Indemnitee;

(b) in the case of the Management Company or the Custodian and an Indemnitee performing functions for and on behalf of the Management Company or Custodian, the non-fulfilment or improper fulfilment of the Management Company's or Custodian's obligations under Luxembourg law;

(c) in the case of any Correspondent and Indemnitee performing functions for and on behalf of any Correspondent, negligence;

(d) in the case of the UAC as a body or any Member thereof, gross negligence, wilful misconduct or fraud.

This Article, insofar as it relates to the UAC or any Member of the UAC, may not be amended without the consent of the UAC.

Art. 25. United States Income Tax Mailers

The Fund intends to be treated as a partnership for United States («U.S.») income tax purposes. As such, any investor which owns a Unit or Units during the Fund's U.S. tax year will be a «partner» for the purposes of the discussion set forth below. Each partner and collectively all of the partners agree to be bound by the provisions set forth herein.

A separate economic capital account will be created and maintained by the Fund for each partner Each partner's capital account will be initially credited for his capital contribution to the Fund, and thereafter his capital account will be adjusted as required under the U.S. tax regulations Section 1.704-1(b). Generally, the partner's capital account is intended to represent the partner's continuing economic investment position in the Fund. The manner in which the capital accounts are to be maintained is intended to comply with U.S. Internal Revenue Code («IRC») Section 704(b) and the regulations thereunder.

The taxable profits and losses, as computed for the Fund at the end of each U.S. tax year (computed under U.S. tax accounting rules and in accordance with IRC Section 704(b)), shall be allocated as follows:

(i) Profits (other than attributable to a winding-up of the Fund).

(A) first, 100 % to Unitholders, up to the aggregate of, and in proportion to, all losses previously allocated to the Unitholders under subparagraph (iii)(F) below, to the extent not previously offset by allocations of profits pursuant to this paragraph (i)(A) or subparagraph (ii)(A);

(B) second, 100 % to Preferred Unitholders in the order of their preference in distribution, pro rata (with respect to Units with the same ranking) in proportion to their respective average Invested Capital, until each Preferred Unitholder has received aggregate allocations of profits for all U.S. tax years pursuant to this subparagraph (i)(B) and subparagraph (ii)(B) in excess of losses previously allocated to such Unitholder for all U.S. tax years pursuant to subparagraph (iii)(E), equal to the aggregate preferred return plus any accrued and unpaid preferred return (including interest on accruals) due to such Unitholder through the end of such U.S. tax year pursuant to Article 18; and

(C) third, 100 % to all other outstanding Unitholders in the same ratio as such Unitholders shall share any Distributable Cash Flow (or, if there is no Distributable Cash Flow, in the same ratio as such Unitholders would have shared Distributable Cash Flow) pursuant to paragraph (iv) of Article 18.

Notwithstanding the foregoing, no allocations of profits shall be made pursuant to a subsection of this subparagraph (i) to the extent that aggregate profits have been allocated pursuant to the corresponding subsection of subparagraph (ii).

(ii) Profits attributable to winding-up the Fund.

(A) first, 100 % to Unitholders, up to the aggregate of, and in proportion to, all losses previously allocated to the Unitholders under subparagraph (iii)(F) below, to the extent not previously offset by allocations of profits pursuant to this subparagraph (ii)(A) or subparagraph (i)(A);

(B) second, 100 % to Preferred Unitholders in the order of their preference in distribution, pro rata (with respect to Units with the same ranking) in proportion to their respective average Invested Capital, until each Preferred Unitholder has received aggregate allocations of profits for all U.S. tax years pursuant to this subparagraph (ii)(B) and subparagraph (i)(B) in excess of losses previously allocated to such Unitholder for all U.S. tax years pursuant to subparagraph (iii)(E), equal to the aggregate preferred return, any accrued and unpaid preferred return (including interest on accruals) due to such Unitholder through the end of such U.S. tax year pursuant to Articles 18 and 23 plus any amounts such Unitholders are entitled to in excess of Invested Capital under paragraphs (v), (vi) and (ix) under Article 23;

(C) third, 100 % to Unitholders (other than Preferred Unitholders) entitled to a distribution of Residual Value under paragraph (v)(b) of Article 23, until each such Unitholder has received aggregate allocations of profits for all U.S. tax years pursuant to this subparagraph (ii)(C), in excess of losses previously allocated to such Unitholders for all U.S. tax years pursuant to subparagraph (iii)(C), in an amount by which amounts received under paragraph (v)(b) of Article 23 by such Unitholder exceed the Invested Capital paid in respect of its Unit;

(D) fourth, 100% to Unitholders entitled to a distribution of Residual Value under paragraph (vi) of Article 23 (or if no outstanding Unitholder is entitled to an allocation of Residual Value under paragraph (vi) of Article 23, in the same ratio as such Unitholders would have shared any such Residual Value) until each such Unitholder has received aggregate allocations of profits for all U.S. tax years pursuant to this subparagraph (ii)(D) and subparagraph (i)(C) in excess of losses previously allocated to such Unitholder for all U.S. tax years pursuant to subparagraph (iii)(B), in such amounts so that each such Unitholder's Capital Account equals the amount, which, if distributed, would provide such Unitholders with the return provided for in paragraph (vi) of Article 23 (or would have been provided for if there had been an allocation of Residual Value under paragraph (vi) of Article 23); and

(E) thereafter, (I) 20 % to Class B1 Unitholders and (II) 80 % to Preferred Unitholders to the extent that such Unitholders are entitled to an allocation of Residual Value under paragraph (ix) of Article 23 and then to Unitholders (other than Preferred Unitholders).

(iii) Losses

(A) first, (I) 20 % to Class B1 Unitholders and (II) 80 % to (x) Unitholders (other than Preferred Unitholders), and (y) Preferred Unitholders entitled to an allocation of Residual Value under paragraph (ix) of Article 23 up to the aggregate of, in proportion to, and in reverse order and ratio of profits previously allocated to the Unitholders under subparagraph (ii)(E) above and not previously offset by losses allocated pursuant to this subparagraph (iii)(A);

(B) second, 100 % to Unitholders entitled to an allocation of Residual Value under paragraph (vi) of Article 23, up to the aggregate of, in proportion to, and in reverse order and ratio of profits previously allocated to such Unitholders under subparagraph (ii)(D) above and not previously offset by losses allocated pursuant to this subparagraph (iii)(B);

(C) third, 100 % to Unitholders, up to the aggregate at in proportion to, and in reverse order and ratio of profits previously allocated to Unitholders under subparagraph (ii)(C) above and not previously offset by losses allocated pursuant to this subparagraph (iii)(C);

(D) fourth, 100 % to all other outstanding Unitholders, up to the aggregate of, in proportion to, and in reverse order and ratio of any profits previously allocated to such Unitholders under subparagraph (i)(C) above and not previously offset by losses allocated pursuant to this subparagraph (iii)(0);

(E) fifth, 100 % to Preferred Unitholders, up to the aggregate of, in proportion to, and in reverse order and ratio of any profits previously allocated to the Preferred Unitholders under subparagraphs (ii)(8) and (i)(8) above and not previously offset by losses allocated pursuant to this subparagraph (iii)(E); and (F) thereafter, 100 % to the Unitholders, pro rata in proportion to their respective Invested Capital.

It is the intent of the partners that the allocations of profits and losses hereto be applied in such a manner that the capital accounts of the partners immediately prior to the distributions of Residual Value under Article 23 are equal to the amount of Residual Value the partners are entitled to share under Article 23.

Notwithstanding this requirement, the partners will share certain items in order to comply with the requirements of IRC Section 704(c) and Section 721(c) and the partnership, in accordance with U.S. tax regulation Section 1.704-3, will allocate income, gain, loss, and deduction with respect to property contributed to the Fund by ProLogis so as to take into account any variation between the adjusted tax basis of the property and its fair market value at the time of the contribution. As a result of this special allocation requirement, it is intended that any gain recognised on property contributed to the Fund by ProLogis will be specially allocated back to ProLogis to the extent of the Section 704(c) gain on property.

All elections and accounting methods for purpose of the U.S tax requirements, including the method of allocating items with respect to contributed property under regulation Section 1.704-3, will be made by the Tax Matters Partner designated below.

The Fund's tax year for purposes of the U.S. income tax accounting rules and for the purpose of the allocations (set forth above) is the calendar year.

ProLogis will be the designated Tax Matters Partner as defined in IRC Section 6231, and is authorised and required to represent the Fund (at the Fund's expense) in connection with all examinations of the Fund's affairs by the U.S. tax authorities, including without limitation judicial and administrative proceedings.

Art. 26. Applicable Law, Jurisdiction, Language

Any claim arising between the Unitholders, the Management Company, ProLogis and any ProLogis Related Party and the Custodian shall be settled according to the laws of the Grand Duchy of Luxembourg and subject to the jurisdiction of the District Court of Luxembourg, provided, however, that the Management Company and the Custodian may subject themselves and the Fund to the jurisdiction of courts of the countries in which the Units are offered or sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions, redemptions and conversions by Unitholders resident in such countries, to the laws of such countries.

These Management Regulations have been established in the English language which shall be determinative in their interpretation.

10 September, 1999.

ProLogis MANAGEMENT, S.à r.l.
Signature

ProLogis TRUST
Signature

SCHEDULE

Part I – Distribution of Distributable Cash Flow under Article 18

Class/Series	*Category*	*First Distribution Date*	*Preferred Units: Rate of preferred return and whether cumulative*	*Preferred Units: Entitlement to allocation and whether subordinated to any Class of Preferred Units together with ranking*	*Other Units: Entitlement to allocation*
Class A (1)		within 30 days after 31 December 1999	–	–	As specified in paragraph (iv) of Article 18 on the basis of the Distribution Formula
Class B 1		within 30 days after 31 December 1999	–	–	As specified in paragraph (iv) of Article 18 on the basis of the Distribution Formula
Class B 2		within 30 days after 31 December 1999	–	–	As specified in paragraph (iv) of Article 18 on the basis of the Distribution Formula
Class C (1)	Preferred	within 30 days after 31 December 1999	Cumulative - 7,25 % per annum compounded semi-annually	As specified in paragraphs (i) and (ii) of Article 18. Class C (1) Units are not subordinated to any other Class of Preferred Units and accordingly rank first of the Preferred Units and share pro rata with other Preferred Units with the same ranking	–

Part II – Allocation of Residual Value under Article 23

Class/Series	*Category*	*Preferred Units: Rate of preferred return and whether cumulative*	*Preferred Units: Entitlement to allocation and whether subordinated to any Class of Preferred Units together with ranking*	*Preferred Units: Entitlement to allocation under paragraphs (v), (vi) and (ix) of Article 23*	*Other Units: Entitlement to participate in paragraph (v) (b) of Article 23*	*Other Units: Entitlement to allocation under paragraph (vi) of Article 23*
Class A (1)		–	–	–	Yes	To provide a look-back internal rate of return on Invest Capital of 12 % per annum, compounded semi-annually
Class B 1		–	–	–	Yves	To provide a look-back internal rate of return on Invested Capital of 12 % per annum, compounded semi-annually

Class/Series	*Category*	*Preferred Units: Rate of preferred return and whether cumulative*	*Preferred Units: Entitlement to allocation and whether subordinated to any Class of Preferred Units together with ranking*	*Preferred Units: Entitlement to allocation under paragraphs (v), (vi) and (ix) of Article 23*	*Other Units: Entitlement to participate in paragraph (v) (b) of Article 23*	*Other Units: Entitlement to allocation under paragraph (vi) of Article 23*
Class B 2		–	–	–	Yves	To provide a look-back internal rate of return on Invested Capital of 12 % per annuum, coumpounded semy-annually
Class C (1)	Preferred	Cumulative - 7,25 % per annum compouded semi-annually	As specified in paragraphs (i), (ii) and (iii) of Article 23. Class C (1) Units are not subordinated to any other Class of Preferred Units and accordingly rank first of the Preferred Units and share pro rata with other Preferred Units with the same ranking.	Class C (1) Units will receive allocations pursuant to paragraphs (v) (b), (vi) and (ix) of Article 23 as follows in order to maintain a return on Class C (1) Units of the greater of Invested Capital per Class C (1) Unit or 0.6896 multiplied by NAV per Class A (1) Unit: (a) no further allocations shall be made in respect of Class C (1) Units until such time as the total amount paid in respect of Class A (1) Units pursuant to paragraphs (v) (a) and (b), (vi) and (ix) of Article 23 equals: Invested Capital per Class C (1) $\frac{\text{Unit}}{0.6896}$ (b) thereafter, allocations shall be made in respect of Class C (1) Units pro rata and in the proportion of 0.6896:1 to further allocations in respect of Class A (1) Units.	–	

Enregistré à Luxembourg, le 30 septembre 1999, vol. 529, fol. 17, case 9. – Reçu 500 francs.

Le Receveur (signé): J. Muller.

(45579/250/1945) Déposé au registre de commerce et des sociétés de Luxembourg, le 30 septembre 1999.

TELEMEDIANA S.A., Société Anonyme.

Siège social: L-1912 Luxembourg, 96, rue du Gruenewald.

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STATUTS

L'an mil neuf cent quatre-vingt-dix-neuf, le vingt-deux juillet.

Par-devant Maître Frank Baden, notaire de résidence à Luxembourg.

Ont comparu:

1) TELEMED FINANCE S.A., société anonyme, ayant son siège social à Luxembourg,
ici représentée par deux de ses administrateurs, à savoir:
Dr Roger Welter, chirurgien, demeurant à Luxembourg,
Monsieur Raymond Henschen, réviseur d'entreprises, demeurant à Luxembourg,
habilités à engager la société par leur signature conjointe.

2) Dr Roger Welter, prénommé, en son nom personnel.

3) Monsieur Raymand Henschen, prénommé, en son nom personnel.

Lesquels comparants ont arrêté ainsi qu'il suit les statuts d'une société anonyme qu'ils vont constituer entre eux:

Dénomination, Siège, Durée, Objet, Capital

Art. 1er. Il est formé une société anonyme sous la dénomination de TELEMEDIANA S.A.

Art. 2. Le siège social est établi à Luxembourg.

Lorsque des événements extraordinaires d'ordre politique, économique ou social, de nature à compromettre l'activité normale au siège social ou la communication aisée de ce siège avec l'étranger se produiront ou seront imminents, le siège social pourra être déclaré transféré provisoirement à l'étranger, sans que toutefois cette mesure ne puisse avoir d'effet sur la nationalité de la société laquelle, nonobstant ce transfert provisoire du siège, restera luxembourgeoise.

Art. 3. La durée de la société est illimitée.

Art. 4. La société a pour objet social:

– la création, la production, l'édition, l'impression, la régie publicitaire, l'exploitation sous toutes ses formes de tout le matériel se rapportant au domaine médical, tel que: ouvrages, revue, magazine, rapports médicaux et annuaires.

– la diffusion d'informations dans le domaine médical par voie terrestre et via satellite,

– la création et l'organisation de congrès (scientifiques), ateliers, expositions et démonstrations de vente,

– la création et l'organisation d'une université temporaire virtuelle et développement de services (cours) basés sur Distance Education, Teaching & Training, via des multimédias interactifs et tous moyens de télécommunications.

Art. 5. Le capital social est fixé à quarante mille euros (40.000,- EUR), représenté par cent (100) actions d'une valeur nominale de quatre cents euros (400,- EUR) chacune.

Les actions sont nominatives ou au porteur, au choix de l'actionnaire, à l'exception de celles pour lesquelles la loi prescrit la forme nominative.

Les actions de la société peuvent être créées, au choix du propriétaire, en titres unitaires ou en certificats représentatifs de plusieurs actions.

La société peut procéder au rachat de ses propres actions dans les conditions prévues par la loi.

Capital autorisé

Le capital social de la société pourra être porté à deux cent cinquante mille euros (250.000,- EUR) par la création et l'émission d'actions nouvelles d'une valeur nominale de quatre cents euros (400,- EUR) chacune, jouissant des mêmes droits et avantages que les actions existantes.

Le Conseil d'Administration est autorisé et mandaté pour:

– réaliser cette augmentation de capital, en une seule fois ou par tranches successives, par émission d'actions nouvelles à libérer par voie de versements en espèces, d'apports en nature, par transformation de créances ou encore, sur approbation de l'assemblée générale annuelle, par voie d'incorporation de bénéfices ou réserves au capital;

– fixer le lieu et la date de l'émission ou des émissions successives, le prix d'émission, les conditions et modalités de souscription et de libération des actions nouvelles;

– supprimer ou limiter le droit de souscription préférentiel des actionnaires quant à l'émission d'actions nouvelles à émettre dans le cadre du capital social autorisé.

Cette autorisation est valable pour une période de cinq ans à partir de la date de la publication du présent acte et peut être renouvelée par une assemblée générale des actionnaires quant aux actions du capital autorisé qui d'ici là n'auront pas été émises par le Conseil d'Administration.

A la suite de chaque augmentation de capital réalisée et dûment constatée dans les formes légales, le premier alinéa de cet article se trouvera modifié de manière à correspondre à l'augmentation intervenue; cette modification sera constatée dans la forme authentique par le Conseil d'Administration ou par toute personne qu'il aura mandatée à ces fins.

Administration, Surveillance

Art. 6. La société est administrée par un conseil composé de trois membres au moins, actionnaires ou non.

Les administrateurs sont nommés pour une durée qui ne peut dépasser six ans; ils sont rééligibles et toujours révocables.

En cas de vacance d'une place d'administrateur, les administrateurs restants ont le droit d'y pourvoir provisoirement; dans ce cas l'assemblée générale, lors de sa première réunion, procède à l'élection définitive.

Art. 7. Le Conseil d'Administration a le pouvoir d'accomplir tous les actes nécessaires ou utiles à la réalisation de l'objet social; tout ce qui n'est pas réservé à l'assemblée générale par la loi ou les présents statuts est de sa compétence.

Art. 8. Le Conseil d'Administration désigne parmi ses membres un président; en cas d'absence du président, la présidence de la réunion peut être conférée à un administrateur présent.

Le Conseil d'Administration ne peut délibérer que si la majorité de ses membres est présente ou représentée, le mandat entre administrateurs, qui peut être donné par écrit, télégramme, télex ou téléfax, étant admis. En cas d'urgence, les administrateurs peuvent émettre leur vote par écrit, télégramme, télex ou téléfax.

Les décisions du Conseil d'Administration sont prises à la majorité des voix; en cas de partage, la voix de celui qui préside la réunion est prépondérante.

Art. 9. Le Conseil peut déléguer tout ou partie de ses pouvoirs concernant la gestion journalière ainsi que la représentation de la société en ce qui concerne cette gestion à un ou plusieurs administrateurs, directeurs, gérants ou autres agents, actionnaires ou non.

La délégation à un membre du Conseil d'Administration est subordonnée à l'autorisation préalable de l'assemblée générale.

Art. 10. La société se trouve engagée soit par la signature collective de deux administrateurs, soit par la signature individuelle du délégué du conseil.

Art. 11. La surveillance de la société est confiée à un ou plusieurs commissaires, actionnaires ou non, nommés pour une durée qui ne peut dépasser six ans, rééligibles et toujours révocables.

Année sociale, Assemblée générale

Art. 12. L'année sociale commence le premier janvier et finit le trente et un décembre.

Art. 13. Les convocations pour les assemblées générales sont faites conformément aux dispositions légales. Elles ne sont pas nécessaires lorsque tous les actionnaires sont présente ou représentés, et qu'ils déclarent avoir eu préalablement connaissance de l'ordre du jour.

Le Conseil d'Administration peut décider que pour pouvoir assister à l'assemblée générale, le propriétaire d'actions doit en effectuer le dépôt cinq jours francs avant la date fixée pour la réunion; tout actionnaire aura le droit de voter en personne ou par mandataire, actionnaire ou non.

Chaque action donne droit à une voix.

Art. 14. L'assemblée des actionnaires de la société régulièrement constituée représente tous les actionnaires de la société. Elle a les pouvoirs les plus étendus pour faire ou ratifier tous les actes qui intéressent la société.

Art. 15. L'assemblée générale décide de l'affectation et de la distribution du bénéfice net.

Le Conseil d'Administration est autorisé à verser des acomptes sur dividendes en se conformant aux conditions prescrites par la loi.

Art. 16. L'assemblée générale annuelle se réunit le premier vendredi du mois de juin à dix heures à Luxembourg au siège social ou à tout autre endroit à désigner par les convocations.

Si ce jour est un jour férié, l'assemblée se tiendra le premier jour ouvrable suivant.

Art. 17. La loi du 10 août 1915 sur les sociétés commerciales, ainsi que ses modifications ultérieures, trouveront leur application partout où il n'y est pas dérogé par les présents statuts.

Dispositions transitoires

1) Le premier exercice social commence le jour de la constitution et se termine le trente et un décembre mil neuf cent quatre-vingt-dix-neuf.

2) La première assemblée générale ordinaire annuelle se tiendra en l'an deux mille.

Souscription et libération

Les statuts de la société ayant ainsi été arrêtés, les comparants préqualifiés déclarent souscrire les actions comme suit:

1) TELEMED FINANCE S.A., prénommée, quatre-vingt-dix actions	90
2) Monsieur Roger Welter, prénommé, cinq actions	5
3) Monsieur Raymond Henschen, prénommé, cinq actions	5
Total: cent actions	100

Toutes les actions ont été entièrement libérées par des versements en espèces, de sorte que la somme de quarante mille euros (40.000,- EUR) se trouve dès maintenant à la libre disposition de la société, ainsi qu'il en est justifié au notaire soussigné.

Déclaration

Le notaire rédacteur de l'acte déclare avoir vérifié l'existence des conditions énumérées à l'article 26 de la loi sur les sociétés commerciales, et en constate expressément l'accomplissement.

Estimation des frais

Les parties évaluent le montant des frais, dépenses, rémunérations ou charges, sous quelque forme que ce soit, qui incombent à la société ou qui sont mis à charge en raison de sa constitution, approximativement à la somme de quatre-vingt-dix mille francs luxembourgeois (90.000,- LUF).

Assemblée générale extraordinaire

Et à l'instant les comparants, préqualifiés, représentant l'intégralité du capital social, se sont constitués en assemblée générale extraordinaire à laquelle ils se reconnaissent dûment convoqués, et après avoir constaté que celle-ci était régulièrement constituée, ils ont pris, à l'unanimité les résolutions suivantes:

1) Le nombre des administrateurs est fixé à trois et celui des commissaires à un.

2) Sont appelés aux fonctions d'administrateur:

a) Monsieur Roger Welter, chirurgien, demeurant à Luxembourg.

b) Monsieur Raymond Henschen, réviseur d'entreprises, demeurant à Luxembourg.

c) Madame Sneja Dobrosavljevic, directrice, demeurant à Luxembourg.

Le Conseil d'Administration est autorisé à constituer des Conseils d'Edition et des Conseils techniques pour se faire assister dans l'élaboration et la diffusion de l'information.

3) Est appelée aux fonctions de commissaire:

FIDUPLAN S.A., société anonyme, ayant son siège social à Luxembourg.

4) Les mandats des administrateurs et commissaire prendront fin à l'issue de l'assemblée générale annuelle de l'an deux mille trois.

5) Le siège social est fixé à L-1912 Luxembourg, 96, rue du Gruenewald.

Dont acte, fait et passé à Luxembourg, date qu'en tête.

Et après lecture faite et interprétation donnée aux comparants, ceux-ci ont signé avec le notaire le présent acte.

Suit la traduction anglaise du texte qui précède:

In the year one thousand nine hundred and ninety-nine, on the twenty-second of July.

Before Us, Maître Frank Baden, notary, residing in Luxembourg.

There appeared:

1) TELEMED FINANCE S.A., having its registered office in Luxembourg,

here represented by two directors, namely:

Dr Roger Welter, chirurgien, residing in Luxembourg,

Mr Raymond Henschen, réviseur d'entreprises, residing in Luxembourg,

who may be empowered to bind said company by their joint signatures.

2) Dr Roger Welter, previously named, in his own name,

3) Mr Raymond Henschen, previously named, in his own name.

Such appearing parties have decided to form amongst themselves a holding company in accordance with the following Articles of Incorporation:

Denomination, Registered office, Duration, Object, Capital

Art. 1. There is hereby formed a company (société anonyme) under the name of TELEMEDIANA S.A.

Art. 2. The registered office is established in Luxembourg.

If extraordinary events of a political, economic or social character, likely to impair normal activity at the registered office or easy communication between that office and foreign countries shall occur, or shall be imminent, the registered office may be provisionally transferred abroad. Such temporary measure shall, however, have no effect on the nationality of the corporation which, notwithstanding such provisional transfer of the registered office, shall remain a Luxembourg corporation.

Art. 3. The corporation is established for an unlimited period.

Art. 4. The object of the corporation is:

– creation, editing, publishing and advertising management, exploitation of any kind of audiovisual material related to the medical field, such as: books, journals, magazines, case reports and year-books;

– diffusion of information in the medical field by terrestrial and satellites;

– organization of (scientific) congresses, workshops and exhibitions, trade shows;

– creation of (temporary) Virtual University and development of services (courses) based on Distance Education, Teaching & Training via interactive multimedia tools and telecommunication means.

Art. 5. The corporate capital is fixed at forty thousand euros (40,000.- EUR), represented by one hundred (100) shares with a par value of four hundred euros (400.- EUR) each.

The shares may be registered or bearer shares, at the option of the holder, except those shares for which the Law prescribes the registered form.

The corporation's shares may be created, at the owner's option, in certificates representing single shares or two or more shares.

The corporation may repurchase its own shares under the conditions provided by law.

Authorised capital

The corporate share capital may be increased from its present amount to two hundred and fifty thousand euros (250,000. -EUR) by the creation and the issue of new shares with a par value of four hundred euros (400.- EUR) each.

The board of directors is fully authorized and appointed:

– to render effective such increase of capital as a whole at once, by successive portions or by continuous issues of new shares, to be paid up in cash, by contribution in kind, by conversion of shareholders' claims, or following approval of the annual general meeting of shareholders, by incorporation of profits or reserves into capital;

– to determine the place and the date of the issue or of the successive issues, the terms and conditions of subscription and payment of the additional shares,

– to suppress or limit the preferential subscription right of the shareholders with respect to the above issue of supplementary shares against payment in cash or by contribution in kind.

Such authorization is valid for a period of five years starting from the date of publication of the present deed and may be renewed by a general meeting of shareholders with respect to the shares of the authorized capital which at that time shall not have been issued by the board of directors.

As a consequence of each increase of capital so rendered effective and duly documented in notarial form, the first paragraph of the present article will be amended such as to correspond to the increase so rendered effective; such modification will be documented in notarial form by the board of directors or by any persons appointed for such purposes.

Administration, Supervision

Art. 6. The corporation shall be managed by a board of directors composed of at least three members, who need not be shareholders.

The directors shall be appointed for a period not exceeding six years and they shall be re-eligible; they may be removed at any time.

In the event of a vacancy on the board of directors, the remaining directors have the right to provisionally fill the vacancy, such decision to be ratified by the next general meeting.

Art. 7. The board of directors has full power to perform such acts as shall be necessary or useful to the corporation's object. All matters not expressly reserved to the general meeting by law or by the present Articles of Incorporation are within the competence of the board of directors.

Art. 8. The board of directors elects among its members a chairman; in the absence of the chairman, an other director may preside over the meeting.

The board can validly deliberate and act only if the majority of its members are present or represented, a proxy between directors, which may be given by letter, telegram, telex or telefax, being permitted. In case of emergency, directors may vote by letter, telegram, telex or telefax.

Resolutions shall require a majority vote. In case of a tie, the chairman has a casting vote.

Art. 9. The board of directors may delegate all or part of its powers concerning the day-to-day management and the representation of the corporation in connection therewith to one or more directors, managers or other officers; they need not be shareholders of the company.

Delegation to a member of the board of directors is subject to a previous authorization of the general meeting.

Art. 10. The corporation is committed either by the joint signatures of any two directors or by the individual signature of the delegate of the board.

Art. 11. The corporation shall be supervised by one or more auditors, who need not be shareholders; they shall be appointed for a period not exceeding six years and they shall be re-eligible; they may be removed at any time.

Financial year, General meeting

Art. 12. The corporation's financial year shall begin on the first of January and shall end on the thirty-first of December.

Art. 13. Convening notices of all general meetings shall be made in compliance with the legal provisions. If all the shareholders are present or represented and if they declare that they have had knowledge of the agenda submitted to their consideration, the general meeting may take place without previous convening notices.

The board of directors may decide that the shareholders desiring to attend the general meeting must deposit their shares five clear days before the date fixed therefore. Every shareholder has the right to vote in person or by proxy, who need not be a shareholder.

Each share gives the right to one vote.

Art. 14. The general meeting of the company properly constituted represents the entire body of the shareholders. It has the most extensive powers to carry out or ratify such acts as may concern the corporation.

Art. 15. The general meeting shall determine the appropriation and distribution of net profits.

The board of directors is authorized to pay interim dividends.

Art. 16. The annual general meeting shall be held in Luxembourg at the registered office or such other place as indicated in the convening notices on the first Friday of the month of June at ten o'clock.

If such day is a legal holiday, the annual general meeting shall be held on the next following business day.

Art. 17. The Law of August 10, 1915, on Commercial companies, as amended, shall apply insofar as these Articles of Incorporation do not provide for the contrary.

Transitory dispositions

1) The first fiscal year will begin on the date of formation of the Company and will end on the thirty-first of December nineteen hundred and ninety-nine.

2) The first annual general meeting will be held in the year two thousand.

Subscription and payment

The Articles of Incorporation having thus been established, the above-named parties have subscribed the shares as follows:

1) TELEMED FINANCE S.A., prenamed, ninety shares	90
2) Mr Roger Welter, prenamed, five shares	5
3) Mr Raymond Henschen, prenamed, five shares	5
Total: one hundred shares	100

All these shares have been entirely paid up by payments in cash, so that the sum of forty thousand euros (40,000.- EUR) is forthwith at the free disposal of the corporation, as has been proved to the notary.

Statement

The notary drawing up the present deed declares that the conditions set forth in Article 26 of the Law on Commercial companies have been fulfilled and expressly bears witness to their fulfilment.

Estimate of costs

The parties have estimated the costs, expenses, fees and charges, in whatsoever form, which are to be borne by the corporation or which shall be charged to it in connection with its incorporation, at about ninety thousand Luxembourg francs (90,000.- LUF).

Extraordinary General Meeting

Here and now, the above-named persons, representing the entire subscribed capital and considering themselves as duly convoked, have proceeded to hold an extraordinary general meeting and, having stated that it was regularly constituted, they have passed the following resolutions by unanimous vote:

1) The number of directors is set at three and that of the auditors at one.

2) The following are appointed directors:

a) Mr Roger Welter, chirurgien, residing in Luxembourg.

b) Mr Raymond Henschen, réviseur d'entreprises, residing in Luxembourg

c) Mrs Sneja Dobrosavljevic, manager, residing in Luxembourg.

The Board of Directors is authorized to create an Editorial Board and Technical Boards in order to assist the Board in the elaboration and diffusion of informations.

2) Has been appointed auditor:

FIDUPLAN S.A., having its registered office in Luxembourg.

4) The mandates of the directors and the auditor shall expire immediately after the annual general meeting of the year two thousand three.

5) The registered office is fixed at L-1912 Luxembourg, 96, rue du Gruenewald.

Whereof the present notarial deed was drawn up in Luxembourg, on the day named at the beginning of this document.

The document having been read to the persons appearing, all of whom are known to the notary by their surnames, Christian names, civil status and residences, the said persons appearing signed together with the notary the present deed.

Signé: R. Welter, R. Henschen, F. Baden.

Enregistré à Luxembourg, le 27 juillet 1999, vol. 3CS, fol. 14, case 12. – Reçu 16.136 francs.

Le Receveur ff. (signé): Kerger.

Pour expédition conforme, délivrée à la société sur sa demande, aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Luxembourg, le 9 août 1999. F. Baden.

(39317/200/310) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

PORTUNATO & CIE S.A., Société Anonyme.

Siège social: L-2133 Luxembourg, 17, rue Nic. Martha.

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STATUTS

L'an mil neuf cent quatre-vingt-dix-neuf, le vingt et un juillet.

Par-devant Maître Jean Seckler, notaire de résidence à Junglinster, soussigné.

Ont comparu:

1.- La société PORTUNATO & C. S.r.l., ayant son siège social à I-16124 Genova, Via Ponte Reale 2 (Italie);

2.- Monsieur Jean-Pierre Graz, avocat, demeurant à CH-1208 Genève, 11bis, rue Toepffer (Suisse);

3.- Monsieur Georges Brimeyer, employé privé, demeurant à L-2133 Luxembourg, 17, rue Nic. Martha.

Les comparants sub 1.- et 2.- sont ici représentés par Monsieur Georges Brimeyer, préqualifié, en vertu de deux procurations sous seing privé lui délivrées.

Lesquelles procurations, après avoir été signées ne varietur par les comparants et le notaire soussigné, resteront annexées au présent acte avec lequel elles seront enregistrées.

Lesquels comparants, représentés comme dit ci-avant, ont arrêté ainsi qu'il suit les statuts d'une société anonyme qu'ils vont constituer entre eux:

Art. 1. Il est formé par la présente une société anonyme sous la dénomination de PORTUNATO & CIE S.A.

Le siège social est établi à Luxembourg.

Il peut être transféré dans tout autre endroit du Grand-Duché de Luxembourg par une décision du Conseil d'Administration.

La durée de la société est indéterminée.

Art. 2. La société a pour objet la gestion de navires.

La société a également pour objet la prise de participations, sous quelque forme que ce soit, dans d'autres sociétés luxembourgeoises ou étrangères, ainsi que la gestion, le contrôle et la mise en valeur de ces participations.

La société peut notamment acquérir par voie d'apport, de souscription, d'option, d'achat et de toute autre manière des valeurs immobilières et mobilières de toutes espèces et les réaliser par voie de vente, cession, échange ou autrement.

La société peut également acquérir et mettre en valeur tous brevets et autres droits se rattachant à ces brevets ou pouvant les compléter.

La société peut emprunter et accorder à d'autres sociétés dans lesqueles la société détient un intérêt, tous concours, prêts, avances ou garanties.

La société peut également procéder à toutes opérations immobilières, mobilières, commerciales, industrielles et financières nécessaires et utiles pour la réalisation de l'objet social.

Art. 3. Le capital social est fixé à un million deux cent cinquante mille francs luxembourgeois (LUF 1.250.000,-), divisé en mille deux cent cinquante (1.250) actions de mille francs luxembourgeois (LUF 1.000,-) chacune.

Art. 4. Les actions sont nominatives ou au porteur, au choix de l'actionnaire.

Les actions de la société peuvent être créées au choix du propriétaire, en titres unitaires ou en certificats représentatifs de plusieurs actions.

La société pourra procéder au rachat de ses actions au moyen de ses réserves disponibles et en respectant les dispositions de l'article 49-2 de la loi de 1915.

Art. 5. La société est administrée par un conseil composé de trois membres au moins, actionnaires ou non.

Les administrateurs sont nommés pour une durée qui ne peut dépasser six ans; ils sont rééligibles et toujours révocables.

En cas de vacance d'une place d'administrateur, les administrateurs restants ont le droit d'y pourvoir provisoirement; dans ce cas l'assemblée générale, lors de sa première réunion, procède à l'élection définitive.

Art. 6. Le conseil d'administration a le pouvoir d'accomplir tous les actes nécessaires ou utiles à la réalisation de l'objet social; tout ce qui n'est pas réservé à l'assemblée générale par la loi ou les présents statuts est de sa compétence.

Le conseil d'administration peut désigner son président; en cas d'absence du président, la présidence de la réunion peut être conférée à un administrateur présent.

Le conseil d'administration ne peut délibérer que si la majorité de ses membres est présente ou représentée, le mandat entre administrateurs, qui peut être donné par écrit, télégramme, télécopieur ou télex, étant admis. En cas d'urgence, les administrateurs peuvent émettre leur vote par écrit, télégramme, télécopieur ou télex.

Les décisions du conseil d'administration sont prises à la majorité des voix; en cas de partage, la voix de celui qui préside la réunion est prépondérante. Le conseil peut déléguer tout ou partie de ses pouvoirs concernant la gestion journalière ainsi que la représentation à un ou plusieurs administrateurs, directeurs, gérants ou autres agents, actionnaires ou non.

Il peut leur confier tout ou partie de l'administration courante de la société, de la direction technique ou commerciale de celle-ci.

La délégation à un membre du conseil d'administration est subordonnée à l'autorisation préalable de l'assemblée générale.

La société se trouve engagée par la signature individuelle de chaque administrateur.

Art. 7. La surveillance de la société est confiée à un ou plusieurs commissaires, actionnaires ou non, nommés pour une durée qui ne peut dépasser six ans, rééligibles et toujours révocables.

Art. 8. L'année sociale commence le premier janvier et finit le trente et un décembre de chaque année.

Art. 9. L'assemblée générale annuelle se réunit de plein droit le quinze du mois de juin à 9.00 heures au siège social ou à tout autre endroit à désigner par les convocations.

Si ce jour est férié, l'assemblée se tiendra le premier jour ouvrable suivant.

Art. 10. Les convocations pour les assemblées générales sont faites conformément aux dispositions légales. Elles ne sont pas nécessaires lorsque tous les actionnaires sont présents ou représentés, et qu'ils déclarent avoir eu préalablement connaissance de l'ordre du jour.

Le conseil d'administration peut décider que, pour pouvoir assister à l'assemblée générale, le propriétaire d'actions doit en effecuer le dépôt cinq jours francs avant la date fixée pour la réunion; tout actionnaire aura le droit de voter en personne ou par mandataire, actionnaire ou non.

Chaque action donne droit à une voix, sauf les restrictions imposées par la loi.

Art. 11. L'assemblée générale des actionnaires a les pouvoirs les plus étendus pour faire ou ratifier tous les actes qui intéressent la société.

Elle décide de l'affectation et de la distribution du bénéfice net.

Art. 12. Sous réserve des dispositions de l'article 72-2 de la loi de 1915 le conseil d'administration est autorisé à procéder à un versement d'acomptes sur dividendes.

Art. 13. La loi du 10 août 1915 sur les sociétés commerciales et ses modifications ultérieures trouveront leur application partout où il n'y est pas dérogé par les présents statuts.

Dispositions transitoires

1) Le premier exercice social commence le jour de la constitution et se termine le 31 décembre 1999.

2) La première assemblée générale ordinaire annuelle se tiendra en 2000.

Souscription et libération

Les comparants précités ont souscrits aux actions créées de la manière suivante:

1.- La société PORTUNATO & C. S.r.l., prédésignée, cinq cents actions 500
2.- Monsieur Jean-Pierre Graz, préqualifié, sept cent quarante-neuf actions 749
3.- Monsieur Georges Brimeyer, préqualifié, une action 1
Total: mille deux cent cinquante actions 1.250

Toutes les actions ont été entièrement libérées en numéraire de sorte que la somme de un million deux cent cinquante mille francs luxembourgeois (LUF 1.250.000,-) est à la disposition de la société ainsi qu'il a été prouvé au notaire instrumentaire qui le constate expressément.

Déclaration

Le notaire instrumentaire déclare avoir vérifié l'existence des conditions énumérées à l'article 26 de la loi du 10 août 1915 sur les sociétés commerciales, et en constate expressément l'accomplissement.

Frais

Le montant des frais, dépenses, rémunérations ou charges sous quelque forme que ce soit, qui incombent à la société ou qui sont mis à sa charge en raison de sa constitution s'élève approximativement à la somme de cinquante mille francs.

Assemblée Générale Extraordinaire

Et à l'instant les comparants préqualifés, représentant l'intégralité du capital social, se sont constitués en assemblée générale extraordinaire à laquelle ils se reconnaissent dûment convoqués, et après avoir constaté que celle-ci était régulièrement contituée, ils ont pris, à l'unanimité, les résolutions suivantes:

1) Le nombre des administrateurs est fixé à trois, et celui des commissaires à un.

2) Sont appelés aux fonctions d'administrateur:

a) Monsieur Jesse Hester, consultant, demeurant à La Peigneurie, Ile de Sark.

b) Monsieur Georges Brimeyer, employé privé, demeurant à L-2133 Luxembourg, 17, rue Nic. Martha.

c) Monsieur Jean-Pierre Graz, avocat, demeurant à CH-1206 Genève, 11bis, rue Toepffer (Suisse).

3) Est appelée aux fonctions de commissaire:

La société FIRI TREUHAND G.m.b.H., avec siège social à CH-6304 Zoug, Chamerstrasse 30 (Suisse).

4) Les mandats des administrateurs et commissaires prendront fin à l'issue de l'assemblée générale annuelle de l'an 2005.

5) Le siège social est établi à L-2133 Luxembourg, 17, rue Nic. Martha.

Dont acte, fait et passé à Luxembourg, date qu'en tête des présentes.

Et après lecture faite et interprétation donnée au comparant, connu du notaire par ses nom, prénom usuel, état et demeure, il a signé avec Nous, notaire, le présent acte.

Signé: G. Brimeyer, J. Seckler.

Enregistré à Grevenmacher, le 29 juillet 1999, vol. 506, fol. 58, case 11. – Reçu 12.500 francs.

Le Receveur (signé): G. Schlink.

Pour expédition conforme, délivrée aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Junglinster, le 17 août 1999. J. Seckler.

(39315/231/131) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

PRASTHAN HOLDING S.A., Société Anonyme Holding.

Siège social: L-1661 Luxembourg, 31, Grand-rue.

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STATUTS

L'an mil neuf cent quatre-vingt-dix-neuf, le quatorze juillet.

Par-devant Maître Gérard Lecuit, notaire de résidence à Hesperange.

Ont comparu:

1. GALAXY SYSTEMS LIMITED, établie et ayant son siège social à Tortola, British Virgin Islands,
ici représentée par Maître Jim Penning, avocat, demeurant à Luxembourg,
en vertu d'une procuration générale donnée le 3 juin 1999.

Une copie de ladite procuration restera, après avoir été signée ne varietur par le comparant et le notaire instrumentant, annexée aux présentes pour être formalisée avec elles.

2. MONZA INVEST S.A., ayant son siège social à Alofi, Niue,
ici représentée par Maître Jim Penning, prénommé,
en vertu d'une procuration sous seing privé donnée le 5 juillet 1999.

Ladite procuration restera, après avoir été signée ne varietur par le comparant et le notaire instrumentant, annexée aux présentes pour être formalisée avec elles.

Lesquels comparants, ès qualités qu'ils agissent, ont requis le notaire instrumentant de dresser l'acte constitutif d'une société anonyme qu'ils déclarent constituer entre eux et dont ils ont arrêté les statuts comme suit:

Titre Ier: Dénomination, Siège social, Objet, Durée

Art. 1er. Il est formé une société anonyme sous la dénomination de PRASTHAN HOLDING S.A.

Art. 2. Le siège de la société est établi à Luxembourg.

Il pourra être transféré à tout autre lieu de la commune par simple décision du conseil d'administration.

Au cas où des événements extraordinaires d'ordre politique ou économique, de nature à compromettre l'activité normale au siège social ou la communication aisée de ce siège avec l'étranger se produiront ou seront imminents, le

siège social pourra être déclaré transféré provisoirement à l'étranger, jusqu'à cessation complète de ces circonstances anormales.

Une telle décision n'aura pas d'effet sur la nationalité de la société. La déclaration de transfert du siège sera faite et portée à la connaissance des tiers par l'organe de la société qui se trouvera le mieux placé à cet effet dans les circonstances données.

Art. 3. La société est constituée pour une durée illimitée.

Art. 4. La société a pour objet la prise de participations sous quelque forme que ce soit, dans d'autres entreprises luxembourgeoise ou étrangères, le contrôle et la gestion, ainsi que la mise en valeur de ces participations.

Elle peut faire l'acquisition de tous titres et droits par voie de participation, d'apport, de négociation et de toute autre manière, participer à la création, au développement et au contrôle de toutes sociétés ou entreprises et leur prêter tous concours, en restant toutefois dans les limites tracées par la loi du 31 juillet 1929 sur les sociétés holding et de l'article 209 de la loi modifiée sur les sociétés commerciales.

Elle peut en outre faire l'acquisition et la mise en valeur de brevets et licences connexes.

Titre II: Capital, Actions

Art. 5. Le capital social est fixé à un million deux cent cinquante mille francs luxembourgeois (LUF 1.250.000,-), représenté par mille deux cent cinquante (1.250) actions d'une valeur nominale de mille francs luxembourgeois (LUF 1.000,-) chacune.

Les actions sont nominatives ou au porteur, au choix de l'actionnaire, à l'exception de celles pour lesquelles la loi prescrit la forme nominative.

Les actions de la société peuvent être créées, en titres unitaires ou en certificats représentatifs de plusieurs actions.

La société peut, dans la mesure et aux conditions prescrites par la loi, racheter ses propres actions.

Titre III: Administration

Art. 6. La société est administrée par un conseil composé de trois membres au moins, associés ou non, nommés pour un terme qui ne peut excéder six années, par l'assemblée générale des actionnaires, et toujours révocables par elle.

Le nombre des administrateurs ainsi que leur rémunération et la durée de leur mandat sont fixés par l'assemblée générale de la société.

Art. 7. Le conseil d'administration choisit parmi ses membres un président.

Le conseil d'administration se réunit sur la convocation du président, aussi souvent que l'intérêt de la société l'exige. Il doit être convoqué chaque fois que deux administrateurs le demandent.

Art. 8. Le conseil d'administration est investi des pouvoirs les plus étendus pour faire tous actes d'administration et de disposition qui rentrent dans l'objet social. Il a dans sa compétence tous les actes qui ne sont pas réservés expressément par la loi et les statuts à l'assemblée générale. Il est autorisé à verser des acomptes sur dividendes, aux conditions prévues par la loi.

Art. 9. La société est engagée en toutes circonstances par les signatures conjointes de deux administrateurs, ou par la signature d'un administrateur-délégué, sans préjudice des décisions à prendre quant à la signature sociale en cas de délégation de pouvoirs et mandats conférés par le conseil d'administration en vertu de l'article 10 des statuts.

Art. 10. Le conseil d'administration peut déléguer la gestion journalière de la société à un ou plusieurs administrateurs qui prendront la dénomination d'administrateurs-délégués.

Il peut aussi confier la direction de l'ensemble ou de telle partie ou branche spéciale des affaires sociales à un ou plusieurs directeurs, et donner des pouvoirs spéciaux pour des affaires déterminées à un ou plusieurs fondés de pouvoir, choisis en ou hors de son sein, associés ou non.

Art. 11. Les actions judiciaires, tant en demandant qu'en défendant, sont suivies au nom de la société par le conseil d'administration, poursuites et diligences de son président ou d'un administrateur délégué à ces fins.

Titre IV: Surveillance

Art. 12. La société est surveillée par un ou plusieurs commissaires nommés par l'assemblée générale, qui fixe leur nombre et leur rémunération, ainsi que la durée de leur mandat, qui ne peut excéder six années.

Titre V: Assemblée générale

Art. 13. L'assemblée générale annuelle se réunit dans la Ville de Luxembourg, à l'endroit indiqué dans les convocations, le premier jour du mois de mai à 10.30 heures et pour la première fois en 2000.

Si ce jour est un jour férié légal, l'assemblée générale a lieu le premier jour ouvrable suivant.

Titre VI: Année sociale, Répartition des bénéfices

Art. 14. L'année sociale commence le 1er janvier et finit le 31 décembre de chaque année.

Exceptionnellement, le premier exercice social comprendra tout le temps à courir de la constitution de la société jusqu'au 31 décembre 1999.

Art. 15. L'excédent favorable du bilan, défalcation faite des charges sociales et des amortissements, forme le bénéfice net de la société. Sur ce bénéfice, il est prélevé cinq pour cent (5%) pour la formation du fonds de réserve légale; ce prélèvement cessera d'être obligatoire lorsque la réserve aura atteint le dixième du capital social, mais devrait toutefois être repris jusqu'à entière reconstitution, si à un moment donné et pour quelque cause que ce soit, le fonds de réserve avait été entamé.

Le solde est à la disposition de l'assemblée générale.

Titre VII: Dissolution, Liquidation

Art. 16. La société peut être dissoute par décision de l'assemblée générale.

Lors de la dissolution de la société, la liquidation s'effectuera par les soins d'un ou de plusieurs liquidateurs, personnes physiques ou morales, nommés par l'assemblée générale qui détermine leurs pouvoirs et leurs émoluments.

Titre VIII: Dispositions générales

Art. 17. Pour tous les points non spécifiés dans les présents statuts, les parties se réfèrent et se soumettent aux dispositions de la loi luxembourgeoise du 10 août 1915 sur les sociétés commerciales et de ses lois modifictives.

Souscription

Les statuts de la société ayant été ainsi arrêtés, les comparants déclarent souscrire le capital comme suit:

1. GALAXY SYSTEMS LIMITED, préqualifiée, mille deux cent quarante-neuf actions 1.249
2. MONZA INVEST S.A., préqualifiée, une action 1
Total: mille deux cent cinquante actions 1.250

Toutes les actions ont été intégralement libérées, de sorte que la somme de un million deux cent cinquante mille francs luxembourgeois (LUF 1.250.000,-) se trouve dès à présent à la libre disposition de la société, ainsi qu'il en a été justifié au notaire.

Constation

Le notaire instrumentant a constaté que les conditions exigées par l'article 26 nouveau de la loi du 10 août 1915 sur les sociétés commerciales ont été accomplies.

Frais

Les parties ont évalué le montant des frais, dépenses, rémunérations et charges, sous quelque forme que ce soit, qui incombent à la société ou qui sont mis à sa charge en raison de sa constitution, à environ cinquante mille francs luxembourgeois (LUF 50.000,-).

Assemblée générale extraordinaire

Les comparants préqualifiés, représentant la totalité du capital souscrit et se considérant comme dûment convoqués, se sont ensuite constitués en assemblée générale extraordinaire.

Après avoir constaté que la présente assemblée est régulièrement constituée, ils ont pris à l'unanimité des voix les résolutions suivantes:

1. Le nombre des administrateurs est fixé à trois et celui des commissaires à un.
2. Sont nommés administrateurs:

a) Maître Jim Penning, prénommé;

b) Monsieur René Moris, expert-comptable, demeurant à Luxembourg;

c) Maître Philippe Penning, avocat, demeurant à Luxembourg.

3. Est appelé aux fonctions de commissaire aux comptes:

Maître Pierre-Olivier Wurth, avocat, demeurant à Luxembourg.

4. Le mandat des administrateurs et du commissaire ainsi nommés prendra fin à l'issue de l'assemblée générale ordinaire statuant de l'année 2004.

5-. Le siège social de la société est fixé à L-1661 Luxembourg, 31, Grand-rue (B.P. 282, L-2012 Luxembourg).

6.- Le conseil d'administration est autorisé à déléguer ses pouvoirs de gestion journalière ainsi que la représentation de la société concernant cette gestion à un ou plusieurs de ses membres.

Dont acte, fait et passé à Luxembourg, date qu'en tête des présentes.

Et après lecture faite et interprétation donnée au comparant, celui-ci a signé avec le notaire le présent acte.

Signé: J. Penning, G. Lecuit.

Enregistré à Luxembourg, le 26 juillet 1999, vol. 118S, fol. 51, case 7. – Reçu 12.500 francs.

Le Receveur ff. (signé): Kerger.

Pour copie conforme, délivrée aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Hesperange, le 10 août 1999. G. Lecuit.

(39313/220/146) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

AURO FIELD HOLDING S.A., Société Anonyme.

Siège social: Luxembourg, 69, route d'Esch.

R. C. Luxembourg B 27.315.

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Le bilan au 31 décembre 1998, enregistré à Luxembourg, le 16 août 1999, vol. 527, fol. 76, case 7, a été déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

Pour mention aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Luxembourg, le 18 août 1999.

Pour AURO FIELD HOLDING S.A., Société Anonyme
BANQUE INTERNATIONALE A LUXEMBOURG
Société Anonyme
P. Frédéric C. Day-Royemans

(39337/006/12) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

AKELER S.A., Société Anonyme.

Registered office: L-2449 Luxembourg, 25B, boulevard Royal.

R. C. Luxembourg B 64.047.

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In the year one thousand nine hundred and ninety-nine, on the twenty-seventh day of July.

Before the undersigned Maître Frank Baden, notary residing in Luxembourg.

Was held an Extraordinary General Meeting of Shareholders of AKELER S.A., a société anonyme, having its registered office at L-2449 Luxembourg, 25B, boulevard Royal, incorporated pursuant to a deed of the undersigned notary, on April 3, 1998, published in the Memorial on the 3 July, 1998 (the «corporation»).

The Articles of Incorporation have been amended several times and for the last time pursuant to a deed of the undersigned notary, on 29 June, 1999, not yet published in the Mémorial.

The meeting was opened at 3.00 p.m. with Mrs Emer Falvey, avocat, residing in Luxembourg, in the chair,

who appointed as secretary Mrs Nadia Weyrich, employee, residing in Arlon

The meeting elected as scrutineer Mrs Arlette Siebenaler, employee, residing in Junglinster.

The board of the meeting having thus been constituted, the chairman declared and requested the notary to state:

I.- That the meeting is held with the following:

Agenda:

1. Reduction of the subscribed capital from sixty-four thousand Pounds Sterling (GBP 64,000.-) to fifty-two thousand Pounds Sterling (GBP 52,000.-) by way of cancellation of three thousand (3,000) shares and subsequent repayment to the relevant shareholder(s).

2. Subsequent amendment of the first paragraph of article 5 of the articles of incorporation.

II.- That the shareholders present or represented, the proxies of the represented shareholders and the number of their shares are shown on an attendance list; this attendance list, signed by the shareholders, the proxies of the represented shareholders and by the board of the meeting, will remain annexed to the present deed to be filed at the same time with the registration authorities.

III.- That the whole corporate capital being present or represented at the present meeting and all the shareholders present or represented declaring that they have had due notice and got knowledge of the agenda prior to this meeting, no convening notices were necessary.

IV.- That the present meeting, representing the whole corporate, is regularly constituted and may validly deliberate on all the items on the agenda.

Then the general meeting, after deliberation, took unanimously the following resolutions:

First resolution

The meeting resolved to reduce the subscribed capital by twelve thousand Pounds Sterling (GBP 12,000.-) so as to reduce it from sixty-four thousand Pounds Sterling (GBP 64,000.-) to fifty-two thousand Pounds Sterling (GBP 52,000.-) by way of cancellation of three thousand (3,000) shares and subsequent repayment to the relevant shareholder(s).

The meeting resolves to cancel all of the three thousand (3,000) shares numbered 3,001 to 6,000 held by Mr John Nigel Kirkland in the Company and to repay to Mr John Nigel Kirkland the amount of one thousand one hundred and fifty Pounds Sterling (GBP 1,150.-) per share.

Mr John Nigel Kirkland expressly agrees with the cancellation of all of his shares and acknowledges receipt of the total amout of three million four hundred and fifty thousand Pounds Sterling (GBP 3,450,000.-).

Second resolution

The meeting resolved to amend the first paragraph of Article 5 of the articles of incorporation of the corporation to read as follows:

«**Art. 5. First paragraph.** The subscribed capital is set at fifty-two thousand Pounds Sterling (GBP 52,000.-) consisting of thirteen thousand (13,000) shares of a par value of four Pounds Sterling (GBP 4.00) per share, entirely paid in.»

Estimate of costs

The parties have estimated the costs, expenses, fees and charges, in whatsoever from, which are to be borne by the present deed at about fifty thousand Luxembourg francs (50,000.- LUF).

There being no further business, the meeting is terminated.

Whereof the present deed is drawn up in Luxembourg on the day named at the beginning of this document.

The undersigned notary who speaks and understands English, states herewith that the present deed is worded in English followed by a French version; on request of the appearing persons and in case of divergences between the English and the French text, the English version will be prevailing.

The document having been read to the persons appearing, all known to the notary by their names, civil status and residences, the members of the board signed together with the notary the present deed.

Suit la traduction en français du texte qui précède:

L'an mil neuf cent quatre-vingt-dix-neuf, le vingt-sept juillet.

Par-devant Maître Frank Baden, notaire de résidence à Luxembourg.

S'est réunie l'Assemblée Générale Extraordinaire des actionnaires de la société anonyme AKELER S.A., ayant son siège social à L-2449 Luxembourg, 25B, boulevard Royal, constituée suivant acte reçu par le notaire soussigné en date du 3 avril 1998, publié au Mémorial, Recueil C, en date du 3 juillet 1998 (la société).

Les statuts ont été modifiés à plusieurs reprises et pour la dernière fois suivant acte reçu par le notaire soussigné en date du 29 juin 1999, pas encore publié au Mémorial.

L'assemblée est ouverte à 15.00 heures sous la présidence de Madame Emer Falvey, avocat, demeurant à Luxembourg,

qui nomme comme secrétaire Madame Nadia Weyrich, employée privée, demeurant à Arlon.

L'assemblée élit come scrutateur Madame Arlette Siebenaler, employée privée, demeurant à Junglinster.

Le bureau ainsi constitué, la Présidente expose et prie le notaire instrumentant de prendre acte:

I.- Que la présente Assemblée Générale Extraordinaire a pour

Ordre du jour:

1. Réduction du capital social de soixante-quatre mille Livres Sterling (GBP 64.000,-) à cinquante-deux mille Livres Sterling (GBP 52.000,-) par l'annulation de trois mille (3.000) actions et remboursement subséquent à l'actionnaire (aux actionnaires) concerné(s).

2. Modification subséquente de la première phrase du premier paragraph de l'article 5 des statuts de la société.

II.- Que les actionnaires présents ou représentés, les mandataires des actionnaires représentés, ainsi que le nombre d'actions qu'ils détiennent sont indiqués sur une liste de présence; cette liste de présence, après avoir été signée par les actionnaires présents, les mandataires des actionnaires représentés, ainsi que par les membres du bureau, restera annexée au présent procès-verbal pour être soumise avec lui à la formalité de l'enregistrement.

III.- Que l'intégralité du capital social étant présente ou représentée à la présente assemblée, il a pu être fait abstraction des convocations d'usage, les actionnaires présents ou représentés se reconnaissant dûment convoqués et déclarant par ailleurs avoir eu connaissance de l'ordre du jour qui leur a été communiqué au préalable.

IV.- Que la présente Assemblée, réunissant l'intégralité du capital social, est régulièrement constituée, peut valablement délibérer sur les points portés à l'ordre du jour.

L'Assemblée Générale, après avoir délibéré, prend à l'unanimité des voix les résolutions suivantes:

Première résolution

L'Assemblée décide de réduire le capital social à concurrence de douze mille Livres Sterling (GBP 12.000,-) pour le porter ainsi de son montant de soixante-quatre mille Livres Sterling (GBP 64.000,-) à cinquante-deux mille Livres Sterling (GBP 52.000,-) par l'annulation de trois mille (3.000) actions et remboursement subséquent à l'actionnaire (aux actionnaires) concerné(s).

L'Assemblée décide d'annuler l'ensemble des trois mille (3.000) actions portant les numéros 3.001 à 6.000 détenues par M. John Nigel Kirkland dans la société et de rembourser à M. John Nigel Kirkland un montant de mille cent cinquante Livres Sterling (GBP 1.150,-) par action.

M. John Nigel Kirkland se déclare expressément d'accord avec l'annulation de l'ensemble de ses actions et confirme avoir reçu le montant de trois millions quatre cent cinquante mille Livres Sterling (GBP 3.450.000,-).

Deuxième résolution

L'Assemblée décide de modifier la première phrase du premier paragraphe de l'Article 5 des statuts pour lui donner la teneur suivante:

«**Art. 5. Premier paragraphe, première phrase.** Le capital souscrit est de cinquante-deux mille Livres Sterling (GBP 52.000,-), représenté par treize mille (13.000) actions d'une valeur nominale de quatre Livres Sterling (GBP 4,00) chacune, entièrement libérées.»

Estimation des frais

Les parties évaluent le montant des frais, dépenses, rémunérations ou charges, sous quelque forme que ce soit, qui incombent à la société ou qui sont mis à sa charge en raison du présent acte approximativement à la somme de cinquante mille francs luxembourgeois (50.000,- LUF).

Plus rien n'étant à l'ordre du jour, la séance est levée.

Dont acte, fait et passé à Luxembourg, date qu'en tête.

Le notaire soussigné qui comprend et parle l'anglais, constate que sur demande des comparants, le présent acte est rédigé en langue anglaise suivi d'une version française; sur demande des mêmes comparants et en cas de divergences entre le texte français et le texte anglais, ce dernier fait foi.

Et après lecture faite et interprétation donnée aux comparants, tous connus du notaire instrumentant par leurs nom, prénom usuel, état et demeure, les membres du bureau ont signé avec le notaire le présent acte.

Signé: E. Falvey, N. Weyrich, A. Siebenaler, F. Baden.

Enregistré à Luxembourg, le 2 août 1999, vol. 118S, fol. 72, case 3. – Reçu 500 francs.

Le Receveur ff. (signé): Kerger.

Pour expédition conforme, délivrée à la société sur sa demande, aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Luxembourg, le 13 août 1999. F. Baden.

(39323/200/127) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

AKELER S.A., Société Anonyme.

Registered office: L-2449 Luxembourg, 25B, boulevard Royal.

R. C. Luxembourg B 64.047.

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Statuts coordonnés déposés au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

Pour mention aux fins de la publication au Mémorial, Recueil des Sociétés et Associations.

Luxembourg, le 19 août 1999. F. Baden.

(39324/200/8) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

FOOTBALL CLUB BURANGE, A.s.b.l., Association sans but lucratif.

Siège social: L-3567 Dudelange, 13, rue Dr. Schweitzer.

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STATUTS

L'an mil neuf cent quatre-vingt-dix-neuf, le 13 juillet, entre les soussignés:

Monsieur Zieger Claude, ouvrier communal, L-3467 Dudelange, rue Alex Fleming;

Monsieur Zieger Carlo, employé privé, L-3583 Dudelange, 2, rue des Chaudronniers;

Madame Monique Kohl-Zieger, employée privée, L-6551 Berdorf, 19, an der Heeschbech.

Dénomination, Objet, Siège Social, Durée

Art. 1er. Il est constitué une association sans but lucratif sous le nom de FOOTBALL CLUB BURANGE, désignée ci-après comme FCB, qui est régie par les présents statuts.

Art. 2. FCB a pour objet l'exploitation et la gérance d'un local de rencontres («Club-Lokal») réservé à ses membres avec vente de boissons en bouteilles, l'organisation de loteries et fêtes, ainsi que l'organisation de matchs de football internationaux amicaux, c.-à-d. sur un terrain de football au Luxembourg ou sur des terrains situés en Europe (Allemagne, France, Belgique, Angleterre, Autriche, etc.).

Art. 3. FCB a son siège à L-3567 Dudelange, 13, rue Dr. Schweitzer.

Elle est formée pour une durée illimitée.

Art. 4. FCB se compose de personnes physiques domiciliées au Grand-Duché de Luxembourg.

FCB reprend les membres actuels de l'ancien FCB, qui n'avait pas la personnalité juridique.

Art. 5. La qualité de membre du comité du FCB se perd:

1) par démission adressée au comité du FCB;
2) par le refus réitéré de payer la cotisation annuelle;
3) pour motif grave dûment constaté.

Art. 6. FCB est administrée par un comité composé de 7 membres au maximum élus par l'assemblée générale pour une durée de 1 an.

Les candidatures pour le comité doivent être parvenues au Président au moins 8 jours avant la date fixée pour la réunion. Les membres sortants sont rééligibles.

Le comité est composé actuellement des membres suivants:

1) Zieger Claude;
2) Zieger Carlo;
3) Deprez Jean-Claude;
4) Bernard Mike;
5) Weiland Joseph;
6) D'Agostini Fabrizio;
7) Beck Gilbert.

Le comité choisit parmi ses membres un bureau composé de président, vice-président, secrétaire, trésorier. Le bureau est élu pour une durée de 1 an.

Art. 7. Le comité se réunit chaque fois qu'il est convoqué par son Président ou sur la demande d'un tiers de ses membres.

Dans toutes les réunions, les membres du comité ont seuls voix aux délibérations.

En cas de partage des voix, la voix du président est prépondérante. Il est tenue procès-verbal des séances.

Art. 8. Les affaires et intérêts de FCB seront gérés et administrés par le comité, représenté par son président, et en son absence, par le vice-président du FCB.

Le comité établit chaque année les comptes de l'exercice clos. FCB reprend entièrement l'actif et le passif de l'ancien FC Burange.

Art. 9. L'assemblée générale représente FCB.

L'assemblée générale aura lieu une fois par an sur convocation individuelle du comité ou par voie de presse 15 jours à l'avance. Une assemblée générale extraordinaire peut être convoquée en cas de circonstances exceptionnelles, par le comité. Les convocations doivent indiquer l'ordre du jour. Tout membre présent a le droit de vote.

Art. 10. L'assemblée annuelle recoit le compte-rendu des travaux du comité et les comptes du trésorier, elle statue sur leur approbation. Elle nomme chaque année 2 vérificateurs des comptes, qui ont le mandat de vérifier les livres et la caisse, de contrôler la régularité et la sincérité des opérations. Ils présentent à cet effet un rapport à l'assemblée générale annuelle.

L'assemblée générale délibère valablement quel que soit le nombre des membres présents.

Ressources de l'Association

Art. 11. Les ressources du FCB se composent:

1) des cotisations annuelles des membres. Le minimum d'une cotisation est de LUF 150,-;
2) des subventions qui pourront lui être accordés par des collectivités;
3) des dons particuliers destinés à lui permettre d'atteindre les buts qu'elle propose;
4) du produit des collectes, loteries, fêtes, etc. organisées au profit du FCB;
5) des intérêts et revenus que les biens et valeurs lui apporteront;
6) de la vente de boissons au local du FCB.

Modification des Statuts

Art. 12. Les statuts peuvent être modifiés par l'assemblée générale annuelle sur la proposition du comité.

Dissolution

Art. 13. L'assemblée appelée à se prononcer sur la dissolution du FCB doit comprendre au moins 3/4 des membres du comité en exercice.

En cas de dissolution, l'actif sera affecté, après liquidation du passif, à une oeuvre sans but lucratif.

Tous les points non réglés par les présent statuts sont réglés par la loi luxembourgeoise sur les associations sans but lucratif.

Dudelange, le 13 juillet 1999. C. Zieger C. Zieger M. Kohl-Zieger

Enregistré à Luxembourg, le 16 juillet 1999, vol. 525, fol. 71, case 9. – Reçu 500 francs.

Le Receveur (signé): J. Muller.

(39320/233/80) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

ALMA INVEST HOLDING S.A., Société Anonyme.

Siège social: L-2320 Luxembourg, 102, boulevard de la Pétrusse.

R. C. Luxembourg B 62.494.

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EXTRAIT

Il résulte du procès-verbal de la réunion du Conseil d'administration tenue en date du 1er juin 1999 que:

Il a été décide de transférer le siège social de la société ALMA INVEST HOLDING S.A. du 50, Val Fleuri, L-1526 Luxembourg au 102, boulevard de la Pétrusse, L-2320 Luxembourg.

Luxembourg, août 1999. Pour extrait conforme.

Enregistré à Luxembourg, le 18 août 1999, vol. 527, fol. 80, case 9. – Reçu 500 francs.

Le Receveur (signé): J. Muller.

(39327/000/13) Déposé au registre de commerce et des sociétés de Luxembourg, le 19 août 1999.

ROXAS HOLDING S.A., Société Anonyme.

Siège social: Luxembourg, 3, place Dargent.

R. C. Luxembourg B 62.431.

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Les Actionnaires sont convoqués par le présent avis à

l'ASSEMBLEE GENERALE STATUTAIRE

qui aura lieu le *17 novembre 1999* à 15.00 heures au siège social à Luxembourg, avec l'ordre du jour suivant:

Ordre du jour:

1. Rapport de gestion du Conseil d'Administration et rapport du Commissaire.
2. Approbation des comptes annuels et affectation des résultats au 31 décembre 1998.
3. Ratification de la cooptation d'un Administrateur.
4. Décharge aux Administrateurs et au Commissaire.
5. Acceptation de la démission du commissaire aux comptes et nomination de son remplaçant.
6. Divers.

I (04213/696/17) *Le Conseil d'Administration.*

TROMED HOLDING S.A., Société Anonyme Holding.

Siège social: Luxembourg, 11, boulevard du Prince Henri.

R. C. Luxembourg B 52.140.

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Les actionnaires sont invités à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui se tiendra par-devant Me Joseph Elvinger, notaire de résidence à Luxembourg, le *16 novembre 1999* à 11.00 heures au siège social de la société 11, boulevard du Prince Henri à Luxembourg.

Ordre du jour:

1. Abandon du régime fiscal instauré par la loi du 31 juillet 1929 sur les sociétés holding et adoption du statut d'une société de participations financières (Soparfi);
2. Insertion dans les statuts d'un droit de préemption en cas de vente des actions de la société par les actionnaires;
3. Modification des pouvoirs de signatures et d'engagement de la société vis-à-vis des tiers;
4. Modifications afférentes des statuts.

I (04219/000/17) *Le Conseil d'Administration.*

HENLEY INVESTISSEMENT S.A., Société Anonyme.

Siège social: L-1470 Luxembourg, 50, route d'Esch.

R. C. Luxembourg B 34.132.

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Messieurs les Actionnaires sont priés d'assister à

l'ASSEMBLEE GENERALE ORDINAIRE

qui se tiendra le jeudi *18 novembre 1999* à 11.00 heures au siège social.

Ordre du jour:

1. Rapport du Conseil d'Administration et du Commissaire;
2. Approbation des bilan, compte de pertes et profits et affectation des résultats au 31 décembre 1996 et au 31 décembre 1997;
3. Décharge aux Administrateurs et au Commissaire aux comptes;
4. Elections statutaires;
5. Transfert du siège;
6. Autorisation donnée au Conseil d'Administration de convertir en euros, avec une date de prise d'effet à déterminer par ledit Conseil, le capital social actuellement exprimé en LUF, et ce pendant la période transitoire allant du 1er janvier 1999 au 31 décembre 2001.
7. Autorisation donnée au Conseil d'Administration, avec une date de prise d'effet à déterminer par ledit Conseil, d'augmenter le capital souscrit et éventuellement le capital autorisé dans les limites et selon les modalités prévues par la loi relative à la conversion, par les sociétés commerciales, de leur capital en euros, et ce pendant la période transitoire allant du 1er janvier 1999 au 31 décembre 2001.
8. Autorisation donnée au Conseil d'administration, avec une date de prise d'effet à déterminer par ledit Conseil, d'adapter ou de supprimer la mention de la valeur nominale des actions, et ce pendant la période transitoire allant du 1er janvier 1999 au 31 décembre 2001.
9. Autorisation donnée au Conseil d'Administration, avec une date de prise d'effet à déterminer par ledit Conseil, d'adapter l'article 5 des statuts, et ce pendant la période transitoire allant du 1er janvier 1999 au 31 décembre 2001.
10. Divers.

I (04224/595/31) *Le Conseil d'Administration.*

FLEMING FLAGSHIP FUND, Société d'Investissement à Capital Variable.

Registered office: L-2633 Senningerberg, 6, route de Trèves, European Bank & Business Centre.

R. C. Luxembourg B 8.478.

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Notice is hereby given to the Shareholders of FLEMING FLAGSHIP FUND («the Company»), that the

ANNUAL GENERAL MEETING

of the Company will be held at the registered office of the Compay at European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg on Wednesday *17 November 1999* at 3.00 p.m., or at any adjournment thereof, for the purpose of voting upon the following agenda:

Agenda:

1. Submission of the Report of the Board of Directors and of the Auditor;
2. Approval of the financial statements for the year ended 30 June 1999;
3. Discharge of the Directors in respect of their duties carried out for the year ended 30 June 1999;
4. Election of the Directors and Auditor;
5. Declaration of dividends for the financial year ended 30 June 1999;
6. Any Other Business.

A Shareholder entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on his behalf and such proxy need not be a Shareholder of the Company.

Resolutions on the agenda of the Meeting will require no quorum and will be resolved by the majority of the Shareholders attending in person or by proxy.

Holders of bearer shares who wish to attend the Meeting must deposit their bearer share certificates five business days prior to the Meeting with the following institution:

KREDIETBANK S.A. LUXEMBOURGEOISE, 43, boulevard Royal, L-2955 Luxembourg

as EUROCLEAR and CEDEL BANK Depositary

Shareholders who cannot personally attend the Meeting are requested to use the prescribed form of proxy (available at the registered office of the Company or via the Flemings Internet Site www.flemings.lu/extra) und return it at least five business days prior to the date of the Annual General Meeting to the Company, c/o FLEMING FUND MANAGEMENT (LUXEMBOURG) S.A., L-2888 Luxembourg.

October 1999.

I (04233/644/33) *By order of The Board of Directors.*

LOCABOAT MANAGEMENT SERVICES S.A., Société Anonyme.

Siège social: L-1142 Luxembourg, 7, rue Pierre d'Aspelt.

R. C. Luxembourg B 42.500.

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Messieurs les Actionnaires sont priés d'assister à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui se tiendra le *18 novembre 1999* à 15.00 heures au siège social

Ordre du jour:

3. Autorisation d'acquérir des actions propres et fixation des modalités des acquisitions envisagées conformément à l'article 49-2 (1) 1° de la loi sur les sociétés commerciales;
4. Divers.

I (04235/000/14) *Le Conseil d'Administration.*

ORCO PROPERTY GROUP, Société Anonyme.

Siège social: Luxembourg.

R. C. Luxembourg B 44.996.

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Les Actionnaires sont priés de bien vouloir assister à:

l'ASSEMBLEE GENERALE ORDINAIRE

qui aura lieu au 291, route d'Arlon à Luxembourg le *17 novembre 1999* à 11.00 heures avec l'ordre du jour suivant:

Ordre du jour:

1. Présentation du rapport du conseil d'administration sur les opérations de la société.
   Présentation du rapport du commissaire portant sur l'exercice clos au 31 décembre 1998.
2. Approbation des comptes annuels au 31 décembre 1998.
3. Affectation du résultat.
4. Décharge à accorder aux administrateurs et commissaire aux comptes pour l'exercice écoulé.
5. Mandat des administrateurs et commissaire.
6. Divers.

I (04244/507/18) *Le mandataire de la société.*

FITEMA PARTICIPATIONS S.C.A., Société en commandite par actions.

Siège social: Luxembourg, 3, avenue Pasteur.

R. C. Luxembourg B 49.026.

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La Gérance a l'honneur de convoquer Messieurs les actionnaires par le présent avis, à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui aura lieu le *17 novembre 1999* à 10.00 heures au siège social, avec l'ordre du jour suivant:

Ordre du jour:

Modification des articles 26 et 27 des statuts de façon à ce que l'associé commandité soit intéressé aux bénéfices et au boni de liquidation à hauteur de ses apports en capital.

I (04245/005/13) *La Gérance.*

FITEMA PARTICIPATIONS S.C.A., Société en commandite par actions.

Siège social: Luxembourg, 3, avenue Pasteur.

R. C. Luxembourg B 49.026.

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La Gérance a l'honneur de convoquer Messieurs les actionnaires par le présent avis, à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui aura lieu le *17 novembre 1999* à 11.00 heures au siège social, avec l'ordre du jour suivant:

Ordre du jour:

Changement de la forme juridique de la société en commandite par actions en société anonyme impliquant la refonte complète des statuts.

Ce changement implique notamment:

- Modification de la raison sociale en FITEMA PARTICIPATIONS S.A.,
- Modification de la répartition du capital qui sera désormais représenté par 3.020 actions au porteur rachetables de FRF 10.000,- chacune,
- Attribution d'une action de S.A. pour une action de commanditaire,

– Attribution de deux actions de S.A. pour une part de commandité,
– Démission du gérant et décharge à lui accorder,
– Démission des membres du Conseil de Surveillance, décharge à leur accorder,
– Adoption des statuts coordonnés de la S.A.,
– Nomination de trois administrateurs dont un administrateur-délégué,
– Nomination d'un commissaire aux comptes,
– Divers.

I (04246/005/25) *La Gérance.*

FITEMA PARTICIPATIONS S.C.A., Société en commandite par actions.

Siège social: Luxembourg, 3, avenue Pasteur.

R. C. Luxembourg B 49.026.

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La Gérance a l'honneur de convoquer Messieurs les actionnaires par le présent avis, à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

des Obligataires, qui aura lieu le *17 novembre 1999* à 11.30 heures au siège social, avec l'ordre du jour suivant:

Ordre du jour:

Approbation de la refonte complète des statuts de la société en raison du changement de la forme juridique de la société en commandite par actions en société anonyme.

I (04247/005/13) *La Gérance.*

CAPELLA S.A., Société Anonyme Holding.

Siège social: Luxembourg, 5, boulevard de la Foire.

R. C. Luxembourg B 24.546.

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Messieurs les actionnaires sont priés de bien vouloir assister à

l'ASSEMBLEE GENERALE ORDINAIRE

qui se tiendra le *9 novembre 1999* à 15.00 heures au siège social avec l'ordre du jour suivant:

Ordre du jour:

1. Présentation des comptes annuels et des rapports du conseil d'administration et du commissaire aux comptes.
2. Approbation des comptes annuels et affectation des résultats au 30 juin 1999.
3. Décharge à donner aux administrateurs et au commissaire aux comptes.
4. Nominations statutaires.
5. Divers.

II (04119/534/16) *Le Conseil d'Administration.*

CLINIQUE LA PRAIRIE RESEARCH S.A., Société Anonyme Holding.

Gesellschaftssitz: Luxemburg, 5, boulevard de la Foire.

H. R. Luxemburg B 27.016.

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Die Aktionäre werden hiermit zur

ORDENTLICHEN GENERALVERSAMMLUNG

der Gesellschaft eingeladen, die am *11. November 1999* um 10.00 Uhr, in Luxemburg, am Gesellschaftssitz, mit folgender Tagesordnung stattfindet:

Tagesordnung:

1. Vorlage des Jahresabschlusses und der Berichte des Verwaltungsrates und des Aufsichtskommissars.
2. Genehmigung des Jahresabschlusses sowie Ergebniszuweisung per 30. Juni 1999.
3. Entlastung des Verwaltungsrates und des Aufsichtskommissars.
4. Neuwahlen.
5. Verschiedenes.

II (04120/534/17) *Der Verwaltungsrat.*

ERICA, Société Anonyme Holding.

Siège social: Luxembourg, 5, boulevard de la Foire.

R. C. Luxembourg B 21.633.

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Messieurs les actionnaires sont priés de bien vouloir assister à

l'ASSEMBLEE GENERALE ORDINAIRE

qui se tiendra le *11 novembre 1999* à 11.00 heures au siège social avec l'ordre du jour suivant:

Ordre du jour:

1. Présentation des comptes annuels et des rapports du conseil d'administration et du commissaire aux comptes.
2. Approbation des comptes annuels et affectation des résultats au 30 juin 1999.
3. Décharge à donner aux administrateurs et au commissaire aux comptes.
4. Nominations statutaires.
5. Divers.

II (04123/534/16) *Le Conseil d'Administration.*

HARTFORD HOLDING S.A., Société Anonyme.

Siège social: L-2535 Luxembourg, 16, boulevard Emmanuel Servais.

R. C. Luxembourg B 56.562.

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Les Actionnaires sont convoqués par le présent avis à

l'ASSEMBLEE GENERALE STATUTAIRE

qui se tiendra le *8 novembre 1999* à 11.00 heures au siège social, avec l'ordre du jour suivant:

Ordre du jour:

- lecture du rapport de gestion du Conseil d'Administration et du rapport du Commissaire aux Comptes portant sur l'exercice se clôturant au 31 décembre 1998;
- approbation des comptes annuels au 31 décembre 1998;
- affectation des résultats au 31 décembre 1998;
- décharge aux Administrateurs et au Commissaire aux Comptes;
- nomination des Administrateurs et du Commissaire aux comptes;
- divers.

II (04134/000/18) *Le Conseil d'Administration.*

CICERONO GROUP S.A., Société Anonyme.

Siège social: Luxembourg, 3, place Dargent.

R. C. Luxembourg B 35.932.

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Les Actionnaires sont convoqués par le présent avis à

l'ASSEMBLEE GENERALE STATUTAIRE

qui aura lieu le *9 novembre 1999* à 15.00 heures au siège social à Luxembourg, avec l'ordre du jour suivant:

Ordre du jour:

1. Rapport de gestion du Conseil d'Administration et rapport du Commissaire.
2. Approbation des comptes annuels et affectation des résultats au 30 juin 1999.
3. Ratification de la cooptation d'un Administrateur.
4. Décharge aux Administrateurs et au Commissaire.
5. Acceptation de la démission du commissaire aux comptes et nomination de son remplaçant.
6. Divers.

II (04150/696/17) *Le Conseil d'Administration.*

MAZIERE FINANCE S.A., Société Anonyme.

Siège social: Luxembourg, 23, avenue de la Porte-Neuve.

R. C. Luxembourg B 41.785.

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Messieurs les actionnaires sont priés d'assister à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui se tiendra le mardi *9 novembre 1999* à 10.00 heures au siège social avec pour

Ordre du jour:

- Rapport de gestion du Conseil d'Administration et du Commissaire aux Comptes,
- Approbation des comptes annuels au 31 décembre 1998 et affectation des résultats,
- Quitus à donner aux Administrateurs et au Commissaire aux Comptes,
- Mise en liquidation de la société,
- Nomination du liquidateur, Monsieur Bernard Ewen.

Pour assister ou être représentés à cette assemblée, Messieurs les actionnaires sont priés de déposer leurs titres cinq jours francs avant l'Assemblée au siège social.

II (04151/755/18) *Le Conseil d'Administration.*

BRIOR S.A., Société Anonyme.

Siège social: L-2241 Luxembourg, 4, rue Tony Neuman.

R. C. Luxembourg B 37.486.

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Messieurs les actionnaires sont priés d'assister à

l'ASSEMBLEE GENERALE ORDINAIRE

qui se tiendra le *8 novembre 1999* à 11.00 heures au 4, rue Tony Neuman, L-2241 Luxembourg, et qui aura pour ordre du jour:

Ordre du jour:

- Rapports du Conseil d'Administration et du Commissaire aux Comptes.
- Approbation du bilan et du compte pertes et profits arrêtés au 30 septembre 1999.
- Affectation du résultat.
- Quitus à donner aux administrateurs et au commissaire aux comptes.
- Divers.

II (04182/560/17) *Le Conseil d'Administration.*

METRIX S.A., Société Anonyme.

Siège social: L-1813 Howald, 5, place de l'Indépendance.

R. C. Luxembourg B 49.095.

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Mesdames et Messieurs les actionnaires de notre société sont priés d'assister à

l'ASSEMBLEE GENERALE ORDINAIRE

qui se tiendra au siège social, 5, place de l'Indépendance à L-1813 Howald, le lundi *8 novembre 1999* à 14.00 heures, pour délibérer sur l'ordre du jour suivant:

Ordre du jour:

1. Rapports du conseil d'administration et du commissaire sur l'exercice clos le 30 juin 1998;
2. Approbation des bilan et compte de profits et pertes de l'exercice clos le 30 juin 1998;
3. Décharge au conseil d'administration et au commissaire;
4. Affectation des résultats;
5. Renégociation du contrat «XYLINK»;
6. Questions diverses.

II (04183/592/18)

H. C. EQUIPMENTS, S.à r.l., Société à responsabilité limitée.

Siège social: L-3238 Bettembourg, 1, rue de l'Indépendance.

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Messieurs les associés sont priés d'assister à

l'ASSEMBLEE GENERALE EXTRAORDINAIRE

qui aura lieu mercredi le *3 novembre 1999* à 16.30 heures, en l'étude de Maître Norbert Muller, notaire de résidence à Esch-sur-Alzette, avec l'ordre du jour suivant:

Ordre du jour:

1. Dissolution de la société et décharge des anciens gérants rétroactivement à compter du 1er juillet 1999;
2. Clôture de la liquidation à compter rétroactivement du 1er juillet 1999.
3. Effets de la liquidation à compter rétroactivement du 1er juillet 1999.

II (04191/224/14) *La gérance.*

Editeur: Service Central de Législation, 43, boulevard F.-D. Roosevelt, L-2450 Luxembourg
Imprimeur: Imprimerie de la Cour Victor Buck, société à responsabilité limitée, 6, rue François Hogenberg, L-1735 Luxembourg