

# INVITATION

## To the regular session of the General Assembly of the shareholders of Advance Terrafund REIT

Pursuant to Article 223, par. 1 of the Commerce Act, the Board of Directors calls a regular General Assembly (GA) of the shareholders of Advance Terrafund REIT which is to be held on 22 June 2009 at 11.00 a.m. at the seat of the company in the city of Sofia, address 1 Zlatovruh Str., with the following agenda and proposals for decisions:

**1. Report on the activities of the company for 2008; draft decision** – the GA adopts the report on the activities of the company for 2008.

**2. Acceptance of the Certified Accountant's Report on the certified annual financial statements for; draft decision** – GA adopts the Certified Accountant's Report on the annual financial statements for 2008.

**3. Approval of the certified financial statements for 2008 and making a decision for distribution of profit for 2008; draft decision** – GA approves the certified financial statements for 2008 and adopts the proposal of the Board of Directors for distribution of the profit for 2008.

**4. Appointing a Certified Accountant /registered auditor/ for certification of the annual financial statements for 2009; draft decision** – GA appoints the proposed by the Board of Directors certified accountant – registered auditor for 2009.

**5. Releasing from liability the members of the Board of Directors for their activities in 2008; draft decision** – GA releases the members of the Board of Directors from liability for their activity in 2008.

**6. Accepting the report of the Audit Committee on its activities in 2008; draft decision**  
- GA accepts the report of the Audit Committee on its activities in 2008;

**7. Election of an Audit Committee for the Company; draft decision** – GA elects an Audit Committee for the Company;

**8. Discussion of a change in the management address and changes in the Statutes of the Company; draft decision** – GA accepts the proposals for changes in the management address and the Statutes of the Company;

**9. Report of the Investor Relations Director on his/her activities; draft decision** – GA accepts the report of the Investor Relations Director;

### **10. Miscellaneous**

All shareholders of the company are invited to take part personally or through a proxy.

The written materials for the Assembly will be at the disposal of the shareholders in the city of Sofia, 1 Zlatovruh Str., each working day from 9:30 a.m. to 5:30 p.m. The invitation and the written materials on the items of the agenda of the Assembly are published at the web page of Advance Terrafund REIT – [www.advanceterrafund.bg](http://www.advanceterrafund.bg) for the time from the announcement of the invitation in the Trade Register to the closure of the General Assembly.

Persons holding together or separately at least 5% of the capital of Advance Terrafund REIT may request the addition of issues and propose decision on already added issues in the agenda of the General Assembly following the procedure outlined in Article 223a of the Commerce Act. Not later than 15 days prior to the opening of the General Assembly these shareholders submit the issues to be added to the agenda and the decision proposals to be announced in the Trade Register. With their announcement in the Trade Register the issues are considered added to the proposed agenda. Not later than the following working day after the announcement the shareholders submit the list of issues, decision proposals and written materials to the seat and management address of the company and to the Financial Supervision Commission.

During the General Assembly the shareholders of the company have the right to raise questions to

all items of the agenda and questions regarding the economic and financial state and commercial activities of the company, regardless of whether the latter are related to the agenda.

The registration of the shareholders will be made on the day of the General Assembly from 10:30 a.m. to 11:00 a.m.

For registration and participation in the General Assembly of the shareholders the natural persons – shareholders have to present an identification document. The legal persons – shareholders present the original of a current certificate for commercial registration and an identification document of the lawful representative.

Rules for voting through proxy: in case of representation of a shareholder in the General Assembly pursuant to the provisions of Article 38, par. 2 of the Statutes of the company, it is necessary to present an explicit notarized power of attorney for the specific assembly with the contents under Article 116, par. 1 of the Law on the Public Offering of Securities. In the cases when the legal person is not represented by its lawful representative the proxy presents an identification document, the original of a current certificate for commercial registration of the respective company – shareholder and an explicit notarized power of attorney for the specific Assembly with the contents under Article 116, par. 1 of the Law on the Public Offering of Securities.

In case of representation of a shareholder of the company by a legal person – proxy, apart from an identification document of the proxy company's representative, also an original of the current certificate for commercial registration of the respective proxy company and an explicit notarized power of attorney for the specific Assembly with the contents under Article 116, par. 1 of the Law on the Public Offering of Securities.

Pursuant to Article 116, par. 4 of the Law on the Public Offering of Securities re-authorization with the rights granted to the proxy in accordance with the power of attorney is null and void, as well as power of attorneys granted in violation of the provision of Article 116, par. 1 the Law on the Public Offering of Securities.

The certificate for commercial registration and the power of attorney for representation at the General Assembly of the shareholders issued in a foreign language should be accompanied by a legalized translation into the Bulgarian language in compliance with the requirements existing legislation. In case of discrepancies between the texts, the data in the Bulgarian translation shall be adopted as correct.

The Board of Directors of Advance Terrafund REIT – the city of Sofia submits a template for a written power of attorney in hard and soft copies together with the materials for the General Assembly. The template of the power of attorney will also be available at the web page of the company: [www.advanceterrafund.bg](http://www.advanceterrafund.bg).

Advance Terrafund REIT will receive and accept as valid notifications and power of attorneys electronically at the following e-mail: [atera@karoll.bg](mailto:atera@karoll.bg) with the electronic messages signed with a universal electronic signature (UES) by the principal and with enclosed electronic document (electronic copy) of the power of attorney which should also be signed with a universal electronic signature (UES) by the principal.

Voting through correspondence and electronic means is not acceptable pursuant to the existing Statutes of Advance Terrafund REIT.

The Board of Directors of Advance Terrafund REIT advises that the total number of shares and voting rights of the shareholders of the company as of the date of the decision of the Board of Directors to convene a General Assembly - 08.05.2009 - is 85,110,091 /eighty-five million, one hundred and ten thousand, ninety-one / ordinary registered dematerialized voting shares with par value of BGN 1 /one/ each. Pursuant to Article 115b, par. 1 of the Law on the Public Offering of Securities the voting right at the General Assembly can be exercised by the persons entered in the registers of Central Depository as shareholders of the company 14 days prior to the date of the General Assembly. The date under the previous sentence for the regular session of the General Assembly of the shareholders of Advance Terrafund REIT Sofia convened on 22.06.2009 is 08.06.2009. Only persons entered as shareholders of the company on this date are entitled to participate and vote at the General Assembly.

In case of lack of quorum on the date announced in this invitation for the convening of the General Assembly of the shareholders, pursuant to Article 227, par. 3 of the Commerce Act, the General Assembly shall be held on 07 July 2009 at 11:00 a.m. at the same place and under the same agenda. The agenda of the new session cannot include items pursuant to 223a of the Commerce Act.

Yours faithfully,

Radoslav Manolov  
Executive Director  
Advance Terrafund REIT



**Proposal on a decision under Agenda Item 3 on the 2008 profit distribution made by the Board of Directors**

**THE BOARD OF DIRECTORS MAKES A PROPOSAL** on no 2008 dividend allocation as the 2008 profit of the Company is the result of revaluation of the real estates of the Company and is not to be distributed in the form of dividends in compliance with the provisions of the Law on Special Investment Purpose Vehicles.

**Proposal on a decision under Agenda Item 4 on the appointment of a public accountant for 2009 made by the Board of Directors**

**THE BOARD OF DIRECTORS MAKES A PROPOSAL** to the General Meeting to appoint Deloitte Audit OOD, a specialized auditing company – member of Deloitte & Touche Group, to audit and certify the Annual Financial Statements of Advance TerraFund REIT as at 31 December 2009.

**Proposal on a decision under Agenda Item 8 on the change in the address of management and amendments to the Bylaws of the Company made by the Board of Directors**

1. Changing the text of Article 6, Paragraph 1 as follows:

Article 6. /1/ The COMPANY shall have its seat in Sofia and its address of management at 1 Zlatovrah Street, Lozenets Region, Metropolitan Municipality.

2. Changing the text of Article 34, Paragraph 2 as follows:

/2/ The convocation shall be made by an invitation submitted to the Commercial Register and announced as provided for in Article 100, Paragraphs 1 and 3 of the Law on Public Offering of Securities. An invitation shall have contents as required by the effective legislation.

3. Changing the text of Article 34, Paragraph 3 as follows:

/3/ The period as of the invitation announcement till the opening of the session of the General Meeting shall be at least 30 days.

4. REPEAL of Article 34, Paragraph 4, reading as follows:

*/4/ Within the period under the preceding paragraph, the invitation shall be published in one national daily as well. It shall be sent to the Deputy Chairperson heading the Investment Supervision Division of the Financial Supervision Commission, the Central Depository and the regulated market in which the shares of the COMPANY are traded within and in compliance with the statutory time limits and procedure.*

5. Changing the text of Article 36, Paragraph 1 as follows:

**Right to information**

Article 36. /1/ The invitation under Article 115, Paragraph 2 of the Law on Public Offering of Securities, accompanied by the materials under Article 224 of the Law on Commerce relating to the session of the General Meeting, shall be sent to the Commission within the time limit under Article 115, Paragraph 4 of the Law on Public Offering of Securities and published at the website of the Company during the period as of its announcement under Article 115, Paragraph 4 of the Law on Public Offering of Securities till closure of the session of the General Meeting.

6. Changing the text of Article 55, Paragraph 1 as follows:

**Rules on determination of the remunerations of the members of the Board of Directors**

Article 55. /1/ The current amounts of the annual remunerations of all members of the Board of Directors may not exceed 0.20% (twenty per cent) of the registered capital of the Company as at 31 December of the year preceding the year of holding of the session at which the General Meeting of Shareholders determines the remunerations of the members of the Board of Directors.