

MINUTES

FROM THE REGULAR SESSION OF THE ANNUAL GENERAL ASSEMBLY OF THE SHAREHOLDERS OF ADVANCE TERRAFUND REIT,

held on 14th of May 2014, in the city of Sofia, 1 Zlatovruh Str., at 12.00 noon.

On this 14th of May 2014, at 12.10 p.m., Borislav Vitanov – Chairman of the Board of Directors (BD) of ADVANCE TERRAFUND REIT, opened the regular session of the annual General Assembly of the Shareholders (GAS) of the Company. The same announced to the present shareholders or their proxies the number of represented shares as at 12.10 p.m. according to the List of Shareholders registered for participation in GAS. Mr. Vitanov ascertained the following findings about the regularity and legality of the convocation of GAS and about the present quorum of the Assembly:

1) This first meeting of GAS is convened legally in compliance with the requirements of the Commerce Act and the Articles of Association of the Company and as of 12.10 p.m. on 14 May 2014 at the location of convocation of the Assembly 48,624,192 /forty-eight million six hundred and twenty-four thousand one hundred and ninety-two/ voting shares out of a total of 85,110,091 /eighty-five million one hundred and ten thousand and ninety-one/ voting shares were represented, which amounts to 57.13% /fifty-seven point thirteen per cent/ of the share capital of ADVANCE TERRAFUND REIT. Pursuant to Art. 227 of the Commerce Act as well as in compliance with Art. 39, para.1 of the Articles of Association of the Company, this meeting of GAS is legal with a quorum of over a half of the total number of shares of the company, therefore the meeting is legally convened with the present quorum and it may commence its work and make valid decisions under the items of the Agenda.

2) 14 /fourteen/ proxies, representing 27 /twenty-seven/ shareholders of the Company, attend GAS.

3) Two of the three members of the Board of Directors of the Company attend the meeting- Borislav Vitanov and Radoslav Manolov. The third Board member – Mr. Nencho Penev - is absent due to personal reasons. The Investor Relations Director – Atanas Dimitrov and the Chairman of the Audit Committee of the Company – Kamen Kamenov attend GAS.

Borislav Vitanov made the following proposals regarding the organization to hold the General Assembly of Shareholders:

- 1) **PROPOSAL:** A proposal was made to admit the following persons to attend the meeting:
- Anita Nikolova, Svetla Vladimirova and Desislava Dimitrova - with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, the Chairman of the Audit Committee – Kamen Kamenov as well as the persons proposed for members of the Audit Committee Zhechko Dimitrov Petrov and Petar Doynov Doynov;

VOTING RESULTS:

- | | |
|-------------|--|
| “FOR” | - 48,624,192 shares (100% of the represented capital); |
| “AGAINST” | - none; |
| “ABSTAINED” | - none; |

- GAS DECISION: ADMITS THE FOLLOWING PERSONS TO ATTEND THE MEETING:

- Anita Nikolova, Svetla Vladimirova and Desislava Dimitrova - with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, the Chairman of the Audit Committee – Kamen Kamenov as well as the persons proposed members of the Audit Committee Zhechko Dimitrov Petrov and Petar Doynov Doynov;

No objections regarding the voting or the voting results were voiced.

2) PROPOSAL: Election of management for the session:

- Borislav Vitanov to be elected Chairman;
- The shareholder Bistra Kotseva to be elected Secretary;
- Svetla Vladimirova and Anita Nikolova to be elected Tellers;

Due to the absence of other proposals regarding the organization to hold the meeting, Borislav Vitanov made a proposal regarding the „en bloc” (joint) voting on the submitted proposals:

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
„ABSTAINED”	- none

GAS DECISION: ADOPTS the proposals for Chairman, Secretary and Tellers for the meeting.

No objections regarding the voting or the voting results were voiced.

The Chairman of the Assembly announced to the shareholders that the agenda of the assembly was set in accordance with a decision of Board of Directors of the Company to convene a regular annual general assembly of the shareholders, as it was indicated in the invitation for convocation of the general assembly of the shareholders, announced in the Commercial Register and there are no other draft-decision proposals in compliance with the requirements of applicable laws and the Articles of Association of the Company.

The Chairman of the Assembly initiated the voting on the Agenda in accordance with the announced invitation.

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: THE GENERAL ASSEMBLY TO BE HELD IN ACCORDANCE WITH THE FOLLOWING AGENDA:

1. Report on the activities of the Company for 2013;
2. Acceptance of the Report of the Certified Accountant on the certified annual financial statements for 2013;
3. Approval of the certified annual financial statements of the Company for 2013 and making a decision for payment of dividends;
4. Appointing a certified accountant (registered auditor) for certification of the annual financial statements of the Company for 2014;
5. Releasing from liability the members of Board of Directors of the Company for their activities in 2013;
6. Accepting the Report of the Audit Committee on its activities in 2013;
7. Electing the members and the chairperson of the Audit Committee of the Company for a mandate of two years and determining their remuneration;
8. Report of the Investor Relations Director on his/her activities;
9. Ratification of a proposal for policy on the remuneration of the members of the management body of the Company, adopted by the Board of Directors, drafted pursuant to the requirements of Art. 108 of the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings and Regulation No 48 on remuneration requirements
10. Miscellaneous

No objections regarding the voting or the voting results were voiced.

The Chairman of the assembly initiated the discussions and the voting on the items in the announced and voted Agenda as follows:

Under Item 1:

The Report on the activities of the Company for 2013 was presented to all shareholders.

The Chairman of the Assembly proposed to GAS to vote on the draft-decision under Item 1 of the Agenda, proposed by the Board of Directors, namely to accept the Activity Report of the Company for 2013. No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: GAS accepts the Report on the activity of the Company for 2013.

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: ACCEPTS the Report on the activities of the Company for 2013.

No objections regarding the voting or the voting results were voiced.

Under Item 2:

The Report of the Registered Auditor on the certified annual financial statements of the Company for 2013 was made available to all shareholders.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 2 of the Agenda proposed by the Board of Directors, namely to accept the Report of the Registered Auditor on the certified annual financial statements for 2013. No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: *GAS accepts the Report of the Registered Auditor on the certified annual financial statements for 2013.*

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital)
“AGAINST”	- none;
“ABSTAINED”	- none;

No objections regarding the voting or the voting results were voiced.

GAS DECISION: ACCEPTS the Report of the Registered Auditor on the certified annual financial statements of the Company for 2013.

Under Item 3:

The certified annual financial statements of the Company for 2013 were made available to all shareholders. The profit realized by the Company for financial year 2013, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Purpose Investment Companies, amounts to BGN 33,866,439.40 /thirty-three million eight hundred and sixty-six thousand four hundred and thirty-nine point forty/.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 3 of the Agenda proposed by BD, namely to approve the certified annual financial statements for 2013 and 99.99% of the profit for financial year 2013, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Investment Purpose Companies and in compliance with the requirements of article 247a of the Commerce Act at BGN 33,866,439.40 to be distributed as dividends and sets a gross dividend of BGN 0.3979 per share of the capital of the Company.

No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: *GAS approves the certified annual financial statements for 2013 and 99.99% of the profit for financial year 2013, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Investment Purpose Companies and in compliance with the requirements of article 247a of the Commerce Act at BGN 33,866,439.40 to be distributed as dividends and sets a gross dividend of BGN 0.3979 per share of the capital of the Company;*

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital)
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: APPROVES the certified annual financial statements of the Company for 2013 and 99.99% of the profit for financial year 2013, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Investment Purpose Companies and in compliance with the requirements of

article 247a of the Commerce Act at BGN 33,866,439.40 to be distributed as dividends and sets a gross dividend of BGN 0.3979 per share of the capital of the Company;

No objections regarding the voting or the voting results were voiced.

The Chairman of Board of Directors and Chair of the meeting of GAS Mr. Borislav Vitanov informed the shareholders that in compliance with the cash flows and estimates of the Company, the Board of Directors plans to effect payment of the dividend voted by GAS till the end of June 2014.

Under Item 4:

The Chairman of the Assembly informed the shareholders about the proposal of Board of Directors recommended by the Audit Committee to appoint Deloitte Audit OOD as auditor to certify the annual financial statements of the Company for 2014. Deloitte Audit OOD Bulgaria is part of the international audit and consultancy group Deloitte Touche Tohmatsu. No other draft-decision proposals under this Item of the Agenda were made.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 4 of the Agenda, namely that Deloitte Audit OOD to be appointed as auditor for the annual financial statements of the Company.

PROPOSAL: *GAS appoints the registered auditor proposed by BD at the recommendation of the Audit Committee – Deloitte Audit OOD - to certify the annual financial statements for 2014.*

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: APPOINTS Deloitte Audit OOD as auditor to make a review and to certify the annual financial statements of ADVANCE TERRAFUND REIT for 2014.

No objections regarding the voting or the voting results were voiced.

Under Item 5:

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 5 of the Agenda proposed by BD, namely to release from liability for their activities in 2013 the members of Board of Directors of the Company. No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: *GAS releases from liability for their activities in 2013 the members of BD of the Company.*

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: RELEASES from liability for their activities in 2013 the members of Board of Directors of the Company.

No objections regarding the voting or the voting results were voiced.

Under Item 6:

The Report of the Audit Committee on its activities in 2013 was made available to all shareholders.

There were no questions by the shareholders on the Report of the Audit Committee. No other draft-decision proposals under this Item of the Agenda were made.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 6 of the Agenda proposed by the Board of Directors, namely to accept the Report of the Audit Committee on its activities in 2013.

PROPOSAL: GAS accepts the Report of the Audit Committee on its activities in 2013;

VOTING RESULTS:

“FOR”	- 48,624,192 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

GAS DECISION: ACCEPTS the Report of the Audit Committee on its activity in 2013.

No objections regarding the voting or the voting results were voiced.

Under Item 7:

The Chairman of the Assembly informed the shareholders of the proposal of the Board of Directors to elect/appoint an Audit Committee of the Company for a mandate of two years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – Zhechko Dimitrov Petrov and Petar Doynov Doynov; Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the members of the Audit Committee to the amount of BGN 2,000.

Mr. Milen Markov – proxy to and representing the shareholders “Saglasie” Voluntary Pension Fund (VPF), “Saglasie” Occupational Pension Fund (OPF), “Saglasie” Universal Pension Fund (UPF) – asked for the floor and made a draft proposal on this item of the Agenda /other that the draft proposal included in the Invitation for convocation of GAS/ in the part thereof regarding the amount of the remuneration of the members of the Audit Committee as follows – *“The remuneration of the Chairperson of the Audit Committee should be to the amount of BGN 3,000 and the remuneration of the members of the Audit Committee – to the amount of BGN 2,000.”*

On the grounds of the provisions of Art. 115, para 2, item 2, Art. 118, para 2, item 4 of the Law on Public Offering of Securities, Art. 223a of the Commerce Act, as well as on the grounds of the text of the announced invitation for convocation of a General Assembly of the company shareholders, the Chairman of the Assembly argued that the draft proposal on this item of the Agenda made by Mr. Milen Markov - proxy to and representing the shareholders “Saglasie” Voluntary Pension Fund (VPF), “Saglasie” Occupational Pension Fund (OPF), “Saglasie” Universal Pension Fund (UPF), should not

be subject to voting, since such draft proposal has not been made under the terms and conditions of the statutory provisions stated above. A potential voting on this draft proposal would be in violation of the special provisions of Art. 115, para 2, item 2 and Art. 118, para 2, item 4 of the Law on Public Offering of Securities. This would result in violation of the shareholders' right to be duly informed and therefore, properly prepared for taking such decision. The lack of information in advance on the draft proposal on this item of the Agenda puts the absent shareholders in a disadvantage and thus violates the principle of Art. 110b of the Law on Public Offering of Securities – the public company shall ensure total equality to shareholders of equal standing, including regarding the participation and exercising the right to vote in the general assembly of the company. The point of announcing the draft decisions of the general assembly in advance, including on items included in the Agenda, is to preliminarily inform the shareholder on all possible decisions thus giving them opportunity to decide and determine their position – both whether to attend GAS or not and to take a stand on the possible decisions to be made and in which they have vested interest and corresponding position.

The Chairman of the meeting did not accept Mr. Milen Markov's argument that in other general meetings of public companies it was allowed to make draft proposals on announced items of the agenda, stating that such argument is not lawful and does not comply with the explicit provisions of the law.

Mr. Borislav Vitanov proposed to GAS to vote the draft-decision as stated in the invitation for the convocation of GAS.

PROPOSAL: *GAS elects/ appoints an Audit Committee of the Company for a mandate of two years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – Zhechko Dimitrov Petrov and Petar Doynov Doynov; Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the members of the Audit Committee to the amount of BGN 2,000.*

“FOR”	- 45,699,346 shares (93.985 % of the represented capital);
“AGAINST”	- 2,894,346 shares (5.952 % of the represented capital);
“ABSTAINED”	- 30,500 shares (0.063 % of the represented capital);

GAS DECISION: Elects/appoints an Audit Committee of the Company for a mandate of two years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – Zhechko Dimitrov Petrov and Petar Doynov Doynov; Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the members of the Audit Committee to the amount of BGN 2,000.

No objections regarding the voting or the voting results were voiced.

Under Item 8:

The Report of the Investor Relations Director on his/her activities for 2013 was made available to all shareholders. There were no questions by the shareholders on the Report.

The Chairman of the Assembly proposed to GAS to vote on the draft decision under Item 8 of the Agenda, namely to accept the Report of the Investor Relations Director on his/her activities for 2013. No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: GAS accepts the Report of the Investor Relations Director on his/her activities for 2013.

VOTING RESULTS:

“FOR” - 48,624,192 shares(100% of the represented capital);
“AGAINST” - none;
“ABSTAINED” - none;

GAS DECISION: ACCEPTS the Report of the Investor Relations Director on his/her activities for 2013.

No objections regarding the voting or the voting results were voiced.

Under Item 9:

As part of the materials for convocation of the GAS, all shareholders were given the Policy on Remunerations of the Members of the Audit Committee, adopted by the Board of Directors, drafted pursuant to the requirements of Art. 108 of the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings and Regulation No 48 on remuneration requirements.

The Chairman of the Assembly informed the shareholders that by adopting this Policy, they fulfil the statutory requirement of the Company to draft such Policy, and to include and vote on it as separate item of the agenda of the annual meeting. This document does not change in any way the current amount and method of determination of the remuneration of the members of BD; it simply determines the method, parameters and restrictions when determining the BD remuneration which until now were regulated in the Statutes and the Prospect of the Company and which are now stipulated and specified in a separate instrument – Policy on Determining Remunerations.

No questions on the policy texts were raised.

The Chairman of the Assembly proposed to GAS to vote on the draft proposal on item 9 of the Agenda, namely to ratify Policy on Remunerations of the Members of the Audit Committee, adopted by the Board of Directors, drafted pursuant to the requirements of Art. 108 of the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings and Regulation No 48 on remuneration requirements. No other draft-decision proposals under this Item of the Agenda were made.

PROPOSAL: GAS ratifies the Policy on remunerations of the members of the management body of the Company, adopted by the Board of Directors, drafted pursuant to the requirements of Art. 108 of the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings and Regulation No 48 on remuneration requirements.

VOTING RESULTS:

“FOR” - 48,624,192 shares(100% of the represented capital);
“AGAINST” - none;
“ABSTAINED” - none;

GAS DECISION: RATIFIES the Policy on remunerations of the members of the management body of the Company, adopted by the Board of Directors, drafted pursuant to the requirements of Art. 108 of the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings and Regulation No 48 on remuneration requirements.

Under Item 10: Miscellaneous

The shareholders were recognized to raise questions before the Board of Directors of the Company. All raised questions regarding the economic and financial standing and business operations of the Company were given detailed and comprehensive answers by the Executive Director – Mr. Radoslav Manolov and by the Chairman of the Board of Directors – Mr. Borislav Vitanov;

With this, the Agenda was exhausted and the Chairman of the Assembly announced its closure at 1.10 p.m.

CHAIRMAN: _____
/Borislav Vitanov/

SECRETARY: _____
/Bistra Kotseva/

TELLERS:

/Svetla Vladimirova/

/Anita Nikolova/