

STATUTES AFREXIM



Revised 9 July 2012

**ASSOCIATION FRANCAISE DES SOCIETES D'EXPERTISE IMMOBILIERE
(AFREXIM)**

The undersigned:

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|---|---|
| 1° - BNPP REAL ESTATE VALUATION | 167 quai de la Bataille de Stalingrad
92867 ISSY LES MOULINEAUX CEDEX
represented by Jean-Claude DUBOIS |
| 2° - CATELLA VALUATION ADVISORS | 184, rue de la Pompe
75116 PARIS
represented by Jean-François DROUETS |
| 3° - CB RE VALUATION | 145-151, rue de Courcelles – 75017 PARIS
represented by Denis FRANCOIS |
| 4° - CREDIT FONCIER EXPERTISE | 24, rue des Capucines – 75001 PARIS
represented by Philippe TARAVELLA |
| 5° - CUSHMAN & WAKEFIELD EXPERTISE | 11-13, avenue de Friedland - 75008 PARIS
represented by Philippe GUILLERM |
| 6° - D.T.Z EUREXI | 8, rue de l'Hôtel de Ville
92500 NEUILLY SUR SEINE
represented by Jean-Philippe CARMARANS |
| 7° - ICADE EXPERTISE | 4 rue Auber – 75009 PARIS represented by
Fabien SELLON |
| 8° - JONES LANG LASALLE EXPERTISES | 40/42 rue La Boétie – 75008 PARIS
represented by Marie MARTINS |
| 9° - VIF EXPERTISE | 120, avenue du Général Leclerc – 75014 PARIS
represented by Claude GALPIN |
| 10° - KNIGHT FRANK EXPERTISES | 7, place Vendôme - 75001 PARIS
représenté by Aron SHADBOLT |

and any other person who has joined under these statutes,

by this document create an association in conformity with the law of 1 July 1901 and establish its statutes in the following terms:

Article 1 - Name

The name is: ASSOCIATION FRANCAISE DES SOCIETES D'EXPERTISE IMMOBILIERE (AFREXIM) (French association of property valuation firms).

Article 2 - Aims

The aims of the association are to:

- defend the ethical and professional interests of its members,
- represent them to the public authorities and all professional bodies,
- organise consultations between members on any professional matter of common interest within the limits permitted by law in this area,
- promote the work of its members.

Article 3 - Headquarters

Its headquarters are in Paris.

The Management Board may choose the address for the headquarters.

The headquarters may be transferred within the same city or to an adjoining *département* by simple decision of the Board. Such a transfer must be subject to approval at the next General Meeting.

Article 4 - Duration

The duration of the Association is unlimited.

Article 5 – Areas of action

The areas of action of the Association are in particular:

- creating relationships with public authorities and various professional bodies,
- organising professional meetings and events,
- publishing technical works and reports concerning property valuation and the valuation profession,
- drawing up recommendations,
- creating and maintaining an internet site,
- taking part in organisations aiming to improve the production of property valuations.

Article 6 - Composition-Subscription

The Association is made up of active members. Active members are those who have paid an annual subscription whose level is set by the General Meeting based on a proposal by the Board. Any member of the Association at the start of the calendar year must pay the annual subscription for the whole year. A new member will be charged an entrance fee, the amount of which is set by the Management Board.

Article 7 - Conditions of membership

The Association is open to any French company whose official purpose and principal business, accounting for at least three-quarters of its total turnover, are to conduct and sell property valuation services.

Requests for membership must be made in writing and signed by an official company representative.

Applicants must certify the professional capacities of the valuers they employ and undertake to respect the ethical and methodological rules relevant to the profession.

Before their application can be studied, applicants will be subject to an audit identical to the annual quality audit by the AFREXIM. The Chairman may have a non-executive role with an executive Managing Director representing the company.

The Chairman may not simultaneously have any executive role in a company with transactional, management or agency business. A senior executive may not also be a board director of a company which is a client of the valuation firm which he leads.

The audit will incur a charge to be added to the entrance fee, which will not be refunded if the application for membership is unsuccessful.

Acceptance of membership is voted for at an Extraordinary General Meeting.

The Association will accept full liability for any undertakings made in its name, with none of the member firms or members of the Board being held separately liable.

Article 8 – Resources

The resources of the Association consist of:

- 1 – membership subscriptions,
- 2 – income from assets,
- 3 – any other resources permitted by legislation and regulation,
- 4 – entrance fees for new members, including audit charges.

Article 9 - Resignation-Expulsion

Membership of the Association is lost by:

- 1 resignation notified in writing;
- 2 expulsion by an Extraordinary General Meeting on the recommendation of the discipline sub-committee
 - for non-payment of subscription,
 - for a serious contravention of ethics,
 - following the annual professional standards audit (see note on audit arrangements),
 - following the judicial liquidation of the member firm,
 - on account of a modification in the official purpose or the main business of the member,
 - following a change in majority control, with a member of the AFREXIM being replaced by a non-member, which could compromise the standard of services after verification by audit.

For that reason, it is specified that members must inform the sub-committee for discipline within 6 months of any change in majority control, either direct or indirect.

Article 10 - Management

The Association is run by a board consisting of between 3 and 12 members, each representing one of the member firms, elected by secret ballot at an Ordinary General Meeting for a term of three years.

If necessary, any member may be represented by any other person from the same company, duly accredited.

In the event of vacancy, the Board may temporarily appoint replacement members. Permanent replacements will be made at the next Ordinary General Meeting.

The powers of members thus elected end at the date at which the term of the members they replace comes to an end.

Existing members are eligible for re-election.

The Management Board will each year elect from among its members, by secret ballot and on a simple majority, **a committee** consisting of:

1. a Chairman,
2. a Vice-Chairman,
3. a Secretary,
4. an Assistant Secretary,
5. a Treasurer,
6. members with special responsibilities.

Should, during the election position, no candidate obtains the majority of votes, a second round will be organised with the two top scoring candidates.

If during the first round, there is a tie between two candidates for second place, an by-vote will be organised in order to decide and designate which one will qualify for the second round so that only two candidates go through to the second round. This by-vote, as for the first vote, will be with one vote per company member of the AFREXIM.

If at the end of this vote, the two candidates are still tied, there will be a new vote based on the majority of votes attributed to each company, depending on the number of experts according to the "Charte de l'Expertise"

It may also create sub-committees as and when necessary.
It will approve the representatives of members of sub-committees.

The Chairman may not serve more than two terms in direct succession.

Article 11 – Meeting of the Management Board

The Board will meet at least once every three months and whenever it is called together by its chairman or at the request of at least half of its members.

The effective presence of at least half of the members of the Management Board is necessary to validate its proceedings.

Minutes are kept of every meeting.

Minutes are signed by the Chairman and the Secretary, and recorded in a register held by the representative of the Association.

Management decisions are taken by a majority plus one vote among the board members present or represented.

Article 12 – Voluntary roles

Members of the Association may receive no payment for the roles assigned to them.

Article 13 – Powers of the Management Board

The Management Board has the widest powers to take all decisions which are not restricted to the Ordinary and Extraordinary General Meetings.

It may agree to delegate powers for a specific reason and a limited period.

Article 14 - Role of Committee members

Chairman – The Chairman calls the General Meetings and the meetings of the Management Board.

He represents the Association in all its public actions and has full powers to that end. He may delegate some of his powers under the conditions set out in the internal regulations.

In particular, he has the authority to act in legal matters in the name of the Association, as either plaintiff or defendant.

His term may be revoked under the same conditions as for his nomination.

Vice-Chairman – In the event of the absence or illness of the Chairman, he will be replaced by the Vice-Chairman.

If that is not possible, the Vice-Chairman's place will be taken by any other member of the Committee, specially appointed by the Board.

Secretary (and as necessary Assistant Secretary) – The secretaries have responsibility for everything concerning correspondence and records.

They keep the minutes of meetings and ensure these are recorded in the registers.

They keep the special register, as required by law, and ensure that all necessary formalities are carried out.

Treasurer – The Treasurer is in charge of everything concerning the management of the Association's assets.

Under the supervision of the Chairman, he makes all payments and receives all income.

He keeps a regular daily record of all operations and reports to the Annual Meeting, which confirms their management.

He accounts to General Meetings for his responsibilities in the conditions set out in the internal regulations.

Members with special responsibilities – They are given occasional or permanent missions by the Committee and may lead sub-committees.

Article 14b – Sub-committees

Other than special sub-committees created occasionally for particular purposes, the following sub-committees will exist on a permanent basis:

- a sub-committee dealing with discipline, statutes, quality control, as well as ethical matters. Only official members of the Management Board may sit on this sub-committee;
- a sub-committee for methodology, standards and professional matters;
- a sub-committee for relations with professional organisations and public institutions.

The sub-committees are chaired by members of the Committee.

The sub-committee for discipline

Composition

It consists of at least 4 members, official representatives of companies as directors or technical directors.

The current Chairman may not be part of this sub-committee while serving as Chairman.

Role

Its role covers proposals for changes in the statutes, quality control, ethical matters and discipline.

For proposals to changes in the statutes, the sub-committee is instructed by the Management Board.

For matters of quality control, its role is to define methods of control, to organise it and to use the results obtained.

On that basis, the sub-committee may draw attention to any serious failure found in the conduct of members. In the event of persistent problems, it will make a report to the Meeting with a view to imposing sanctions.

As regards ethics and discipline, the sub-committee ensures that the Property Valuation Charter is respected. It can take action at any time or may be invited to do so by a member of the Association or a third party.

It investigates the matter and makes its proposal on this subject to the Extraordinary General Meeting.

Article 15 – Ordinary General Meetings

The Association's General Meeting includes all active members, each having one vote per company.

It meets at least once a year at the invitation of the Management Board.

An Ordinary General Meeting may however be called at the request of at least half of the members. Any member may be represented at the meeting by another member with written authority.

The agenda is proposed by the Management Board.

The Committee for the meeting is the same as that for the Board.

It hears and approves management reports from the Management Board and also on the general and financial status of the Association.

It may nominate an auditor to verify the accounts and instruct him to report on their status.

It approves the accounts for the current year, votes the budget for the next year and, if necessary, renews the authority of members of the Management Board.

It grants the Management Board or certain members of the Committee any authorisation necessary to fulfil operations within the purposes of the Association and for which the statutory powers are not adequate.

In addition, it will deliberate on any matter added to the agenda by signed request of two members of the Association and notified to the Secretary at least ten days before the meeting.

Invitations to attend are sent at least fifteen days in advance, giving notice of the agenda.

The meeting may only make valid decisions in the presence of at least half of its voting members,

All decisions at the Annual General Meeting are taken by a show of hands and a majority plus one vote of all members present or represented. A secret ballot may be requested by the Management Board or by at least a quarter of the members present.

If a quorum is not achieved at the meeting on first invitation, a further meeting will be arranged after fifteen days and that meeting will be able to make valid decisions, whatever the number of members present.

Article 16 – Extraordinary General Meetings

The General Meeting has an extraordinary character when it rules on any changes to the statutes or when a resolution (resulting from the work of a sub-committee) is intended to be imposed on all members. It may decide on the dissolution and distribution of the assets of the Association, as well as a merger with any association with the same purpose.

Invitations are sent at least fifteen days in advance and will give notice of the agenda.

Only an Extraordinary General Meeting may decide to accept new members of the Association.

It alone may proceed to the expulsion of a member.

It may authorise membership of an organisation, federation or confederation.

Such a meeting may make decisions only if at least half of the active members are actually present.

A decision results from a vote with a double majority by firm and by the number of votes allocated to each firm according to the number of valuers as defined by the Charter, with a maximum of 20 votes per firm.

Decisions will be made by a majority of 2/3 of the votes of the double majority.

Members unable to attend may be represented by another member of the Association with a written authority for that purpose.

An attendance list will be signed and certified by members of the Committee.

If a quorum is not achieved at the meeting on first invitation, a further meeting will be arranged after fifteen days and that meeting will be able to make valid decisions, whatever the number of members present.

The Committee for the Meeting is the same as for the Board.

Article 17 - Minutes

Minutes and decisions of all meetings will be recorded by the Secretary (or the Assistant Secretary) in the register and signed by the Chairman and a member of the Committee present at the meeting.

The minutes of meetings of the Management Board will be recorded by the Secretary (or the Assistant Secretary) in a register and signed by the Secretary (or the Assistant Secretary) and the Chairman.

The secretaries may provide certified copies when required to any third party.

Article 18 – Dissolution

The dissolution of the Association may be decided only by an Extraordinary General Meeting, specially called for that purpose and meeting the conditions of quorum and majority required for Extraordinary Meetings.

The General Assembly will nominate one or more liquidators to distribute the assets of the Association, whose powers it will be define.

It will transfer net assets to any association with a similar official purpose or any public or private organisation recognised as being for the public interest, of its own choosing.

Article 19 – Internal regulations

The Management Board may, if it deems necessary, decide on the text of an internal regulation which will define the operational details of these statutes.

Such regulation will be subject to the approval of an Extraordinary General Meeting, as will any changes to it.

Article 20 – Audits

The sub-committee for discipline will define the operational detail of the annual audit of members.

Article 21 - Formalities

The Chairman, on behalf of the Management Board, is responsible for fulfilling all formalities for declaration and publication as required in law. Full powers are attributed to the holder of this document to undertake these formalities.