

Business Combination Agreement (Convenience Translation)

(hereinafter referred to as the “*Agreement*”)

by and between

1. Prime Office REIT-AG, Hopfenstrasse 4, 80335 Munich, registered with the Commercial Registry of the Munich District Court under the number HRB 133535

(hereinafter referred to as “*PO*”)

and

2. OCM German Real Estate Holding AG, Maarweg 165, 50825 Cologne, registered with the Commercial Registry of the Cologne District Court under the number HRB 67370

(hereinafter referred to as “*OCM*”)

and

3. OCM Luxembourg OPPS VII Homer Holdings S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the *Registre de Commerce et des Sociétés de Luxembourg* under the number B 129760;

OCM Luxembourg EPOF II Homer Holdings S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the *Registre de Commerce et des Sociétés de Luxembourg* under the number B 133552;

OCM Luxembourg OPPS Herkules Holdings S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the *Registre de Commerce et des Sociétés de Luxembourg* under the number B 118873;

OCM Luxembourg EPOF Herkules Holdings S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the *Registre de Commerce et des Sociétés de Luxembourg* under the number B 118874; and

OCM Luxembourg POF IV Herkules Holdings S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the *Registre de Commerce et des Sociétés de Luxembourg* under the number B 121749

(in their capacity as the sole shareholders of OCM hereinafter jointly referred to as “*Oaktree*”)

and

4. Amherst S.à r.l., 26 A, Boulevard Royal, L-2449 Luxembourg, registered with the Registre de Commerce et des Sociétés de Luxembourg under the number B 159348

(in its capacity as the anchor shareholder of PO hereinafter referred to as the “**PO Anchor Shareholder**”).

Hereinafter, PO, OCM, Oaktree, and the PO Anchor Shareholder will be jointly referred to as the “**Parties**” or individually as a “**Party**.”

Recitals

- A. PO is a German stock corporation domiciled in Munich, which is registered with the Commercial Registry of the Munich District Court under the number HRB 133535. Its share capital is EUR 51,941,345.00 (in words: fifty-one million nine hundred and forty-one thousand three hundred and forty-five euros), and it is divided into 51,941,345 no-par bearer shares with a pro rata interest in the share capital of EUR 1.00 per share. The shares of PO are listed on the Regulated Market (Prime Standard) of the Frankfurt/Main Stock Exchange and the Munich Stock Exchange.
- B. The PO Anchor Shareholder holds 8.4% of the no-par bearer shares with a pro rata interest in the share capital of EUR 1.00 per PO share.
- C. OCM is a German stock corporation domiciled in Cologne, which is registered with the Commercial Registry of the Cologne District Court under the number HRB 67370. Its share capital is EUR 83,804.00 (in words: eighty-three thousand eight hundred and four euros). The shares of OCM are not currently listed for trading on a stock exchange. With the exception of the treasury shares held by OCM, Oaktree holds all shares in OCM.
- D. By the transaction described in this Agreement, the Parties intend to combine PO and OCM, including the real estate portfolios held by each of them, in OCM by merging PO as the transferring entity with OCM as the acquiring entity (hereinafter referred to as the “**Merger**”), subject to the continued use of the name “Prime Office” (to the extent that this Agreement refers to OCM following the Merger, it shall hereinafter also be referred to as the “**New PO**”).

- E. By establishing the New PO, the Parties aim to create a leading German office property company that is focused on continued internal and external portfolio growth and shall be listed in the MDAX-Index of Deutsche Börse in the medium term.
- F. Boosting the enterprise value, ensuring the ability of the New PO to pay dividends in the long term, increasing the liquidity of its shares, improving its access to funding, and thus overall creating additional value for all shareholders and owners of the New PO are additional aims of the transaction.
- G. The transaction shall be carried out in ways that take the interests of all other stakeholders - particularly those of employees and creditors of the participating companies - into account.
- H. The Supervisory Board of OCM approved this Agreement on 07 August 2013, and the Supervisory Board of PO also approved it on 07 August 2013.

Now, therefore, the Parties agree to the following:

§ 1

Structure of the Transaction; Timeline and Action Plan

To implement the transaction described under letter D of the Recitals, the Parties undertake to take the following steps, as permitted in law and in accordance with the timeline and sequence set forth below, or to ensure that such steps are taken:

1.1 Coordination regarding the Exemption from a Mandatory Takeover Offer

The Parties have come to an agreement with the Federal Financial Supervisory Authority [*Bundesanstalt für Finanzdienstleistungsaufsicht*] (hereinafter referred to as “*BaFin*”) and ascertained to their satisfaction that the transaction described in this Agreement will not require Oaktree to make a mandatory takeover offer to PO’s shareholders under Section 35 German Securities Acquisition and Takeover Act [*Wertpapiererwerbs- und Übernahmegesetz*] (WpÜG), or a voluntary takeover offer under Section 10 (1) in conjunction with Sections 29 (1) and 35 WpÜG that would exempt it from making a mandatory takeover offer.

1.2 Alternative Transaction Structures

While the Parties intensively reviewed and discussed other transaction structures, especially alternatives that would have been more attractive with respect to property transfer taxes, in the end these alternatives turned out to be unworkable.

1.3 PO's First Ad Hoc Notice

On 8 May 2013, PO published the ad hoc notice attached hereto in Appendix 1.3 pursuant to Section 15 German Securities Trading Act [*Wertpapierhandelsgesetz*] (WpHG), thus informing the capital market of the negotiations related to the imminent transaction.

1.4 PO's Preparatory Measures

- 1.4.1 PO conducted negotiations with Landesbank Hessen-Thüringen and Corealcredit Bank AG in their capacity as lenders with respect to the refinancing of the loans enumerated in Appendix 1.4.1.
- 1.4.2 PO conducted talks with the lenders of the loans enumerated in Appendix 1.4.2 to ascertain whether they would waive the termination rights inuring to them if the Merger took effect or if PO's position as REIT AG was jeopardized or lost.
- 1.4.3 PO shall do everything in its power to bring about the refinancing pursuant to item 1.4.1, as well as written agreements with the lenders pursuant to item 1.4.2 regarding appropriate declarations of waiver, in each case in accordance with the applicable provisions of this Agreement.
- 1.4.4 By letter dated 24 May 2013, PO terminated the "Agreement on Property Management Services" dated 28 September 2007 with DCM Deutsche Capital Management GmbH in due time effective at the earliest possible termination date, i.e., 31 December 2014, in order to have these services carried out more cost-effectively in the future.

1.5 OCM's Preparatory Measures

- 1.5.1 OCM and Oaktree shall enter into an agreement regarding the contribution of a loan to the capital reserve and thus the equity capital of OCM before the Merger takes effect. At this time, OCM Luxembourg JD Herkules Investments S.à r.l., whose shares are held in toto by Oaktree, still is the creditor of said loan; the loan shall be assigned to OCM before it is contributed. The borrowers are subsidiaries of German Acorn PortfolioCo II GmbH, a subsidiary of OCM. As of 31 December 2012, the loan including capitalized interest was EUR 133,539 million.
- 1.5.2 OCM will retire 4,023 treasury shares without compensation prior to the time specified in item 1.12.1.

- 1.5.3 OCM has conducted negotiations with the respective lenders regarding the refinancing of the bank liabilities of the two OCM portfolios enumerated in Appendix 1.5.3.
- 1.5.4 OCM shall do everything in its power to bring about the refinancing in accordance with the applicable provisions of this Agreement.
- 1.5.5 Oaktree shall ensure before this Merger takes effect that German Acorn Real Estate GmbH, which is domiciled in Cologne and is registered with the Commercial Registry of the Cologne District Court under the number HRB 61291, is merged as the transferring entity with OCM as the acquiring entity without issuing new shares in OCM. The employees of German Acorn Real Estate GmbH, who have been granted registered power of representation [*Prokura*], shall be granted the same powers at OCM, in each case with the right to represent the company jointly with a member of the Management Board or another executive with registered power of representation [*Prokurist*] but without the right to engage in transactions pursuant to Section 48 (2) German Commercial Code [*Handelsgesetzbuch*] (HGB) (i.e. selling and mortgaging real property).

1.6 Appointment of the Merger Auditor

By ruling dated 23 May 2013, which is attached hereto in Appendix 1.6, the Munich Regional Court I [*Landgericht München I*] appointed BDO AG, Munich, to serve as the merger auditor.

1.7 PO's Second Ad Hoc Notice

Immediately upon signing of this Agreement, PO shall publish another ad hoc notice pursuant to Section 15 WpHG, the content of which shall basically reflect the content of Appendix 1.7 hereto.

1.8 Notice of PO's Annual General Meeting

Once this Agreement has been signed, PO shall promptly cancel the Annual General Meeting that it convened for 21 August 2013 and issue a notice of Annual General Meeting to be held on 24 September 2013. Besides the agenda items common to an Annual General Meeting, said notice shall list the Annual General Meeting's approval to both this Business Combination Agreement and the merger agreement between PO and OCM attached hereto in Appendix 1.8 (hereinafter referred to as the "*Merger Agreement*") as additional agenda items.

1.9 Antitrust Clearance

Upon signing of this Agreement, PO and OCM shall immediately apply to the *Bundeskartellamt* [Federal Cartel Office] for antitrust clearance of the planned merger described in this Agreement. To this end, PO and OCM shall make all documents, data, and other information available to each other that are required for preparing, modifying, or supplementing the antitrust filing; this shall be accomplished via their advisers to the extent necessary for maintaining the confidentiality of trade secrets. Coordinating the respective written and oral applications, PO and OCM shall jointly endeavor

to obtain the *Bundeskartellamt*'s approval of the planned merger described in this Agreement immediately after the latter has been signed; subject to mutual coordination, they shall be authorized but not obligated to file appeals or seek recourse through other legal remedies.

Antitrust approval shall be deemed to have been granted if

the *Bundeskartellamt* has approved the planned merger in accordance with Section 40 (2) sentence 1 German Act Against Restraints on Competition [*Gesetz gegen Wettbewerbsbeschränkungen*] (GWB); or

- (i) the *Bundeskartellamt* has approved the planned merger in accordance with Section 40 (3) sentence 1 GWB subject to one or more conditions precedent and the given condition(s) precedent has/have been satisfied; or
- (ii) the *Bundeskartellamt* has notified the applicant entities in writing that the requirements for prohibiting the transaction pursuant to Section 36 GWB have not been met; or
- (iii) the one-month period pursuant to Section 40 (1) GWB has passed without the *Bundeskartellamt* notifying the applicant entities that the second-phase proceedings pursuant to Section 40 (1) sentence 1 GWB have begun; or
- (iv) the four-month period pursuant to Section 40 (2) sentence 2 GWB for prohibiting the transaction has passed and the *Bundeskartellamt* (x) has not prohibited the planned merger or (y) has stipulated a deadline extension with the applicant entities in accordance with Section 40 (2) sentence 4 no. 1 GWB; or
- (v) a deadline extension stipulated in accordance with Section 40 (2) sentence 4 no. 1 GWB has expired without one of the events set forth in item 1.9 (iv), alternative (x) or (y), having occurred.

1.10 Finalizing the Refinancing Measures of PO and OCM

1.10.1 PO submitted term sheets to OCM prior to the closing of this Agreement that were negotiated with the respective bank regarding the refinancing of some of the loans enumerated in Appendix 1.4.1 of this Agreement. This concerns the extant loans from Landesbank Hessen-Thüringen related to the properties in Düsseldorf, Stuttgart, and Nuremberg. In addition, PO is currently negotiating the refinancing of the Darmstadt property with Corealcredit Bank AG. PO shall do everything in its power to bring about the refinancing of the aforementioned properties by 30 September 2013 but, in any event, by the time the Merger takes effect. Furthermore,

PO shall do everything in its power to enter into written agreements by the aforesaid time with the lenders of the loans enumerated in Appendix 1.4.2 pursuant to which they waive the termination rights inuring to them if the Merger took effect or if PO's position as REIT AG was jeopardized or lost.

1.10.2 OCM submitted term sheets to PO prior to the closing of this Agreement that were negotiated with the respective bank regarding the refinancing mentioned under item 1.5.3 of this Agreement. OCM shall do everything in its power to bring about the refinancing by 30 September 2013 but, in any event, by the time the Merger takes effect.

1.10.3 If the refinancing measures contemplated in items 1.10.1 and 1.10.2 above have not been completed within the deadlines set forth thereat - i.e., if they have not been completed by 30 September 2013 or no later than by the time the Merger takes effect - the respective other Party shall not be obliged to implement the subsequent transaction steps pursuant to this Agreement until the refinancing measures or any activities outstanding in that connection have been completed.

1.11 Listing of OCM

OCM shall do everything in its power to have its 82,000,000 then extant shares (see items 1.12.1 (i) and 1.16.1) listed on the Regulated Market of the Frankfurt/Main Stock Exchange subject to expanded listing requirements before the Merger takes effect. OCM shall also do everything in its power to bring about the listing of its shares issued in connection with the capital increase described in item 1.12.1 (iv) on the Regulated Market of the Frankfurt/Main Stock Exchange subject to expanded listing requirements as part of the Merger.

1.12 Annual General Meetings of OCM

1.12.1 Oaktree, which holds all shares in OCM, shall convene an Annual General Meeting no later than on 23 September 2013 in the form of a plenary meeting and adopt the following resolutions:

- (i) Increase the share capital of OCM from retained earnings of EUR 79,781 (after retiring 4,023 treasury shares) by EUR 81,920,219 to EUR 82,000,000;
- (ii) Approve the Merger Agreement;
- (iii) Approve this Agreement;

- (iv) Increase the share capital of OCM from EUR 82,000,000 by EUR 51,941,345 to EUR 133,941,345 for the purpose of carrying out the Merger (after the increase from retained earnings pursuant to item (i));
- (v) Approve authorized capital for OCM (i.e., the New PO) in the greatest possible amount of EUR 66,970,672;
- (vi) Amend the Articles of Incorporation of OCM (i.e., of the New PO) in accordance with Appendix 1.12.1 (vi), subject to inclusion of foregoing letters (i), (iv), and (v), as well as following letter (vii); and
- (vii) Rename the company “Prime Office AG.”

The approval by OCM’s Annual General Meeting of this Agreement pursuant to item 1.12.1 (iii) shall be obtained as a precautionary measure for the event that it must be approved by the Annual General Meeting.

1.12.2 OCM shall convene another Annual General Meeting in the form of a plenary meeting and adopt the following resolutions before the Merger takes effect but after the capital measure provided for in item 1.12.1 (i) has been recorded in the Commercial Registry:

- (i) Authorize the Management Board to issue convertible bonds and bonds with warrants based on the parameters that follow from Appendix 1.12.2 (i);
- (ii) Authorize OCM to buy back treasury shares in accordance with Section 71 et seq. German Stock Corporation Act [*Aktiengesetz*] (AktG); and
- (iii) Approve contingent capital for OCM (i.e., the New PO) in the amount of EUR 25,000,000 and amend the Articles of Incorporation accordingly.

1.12.3 By declaration of waiver transacted by notarial deed, Oaktree shall waive its right to contest the validity of OCM’s merger resolution in accordance with Section 16 (2) sentence 2 German Reorganization and Transformation Act [*Umwandlungsgesetz*] (UmwG). Oaktree recognizes the conversion ratio provided for in the Merger Agreement as appropriate.

1.12.4 The Annual General Meeting of OCM appointed the following individuals to the Supervisory Board prior to the closing of this Agreement, who shall serve alongside the extant members of the Supervisory Board, Uwe Flach, Hermann Dambach and Nebil Senman:

Professor h.c. Roland Berger, PhD and

Professor Harald Wiedmann, PhD.

The new Supervisory Board members were appointed effective as of the date the Merger takes effect, and the increase in the number of Supervisory Board members to six is effected by way of an amendment of the Articles of Incorporation.

1.12.5 Items 1.12.1 and 1.12.2 hereof have been agreed between all Parties to this Business Combination Agreement with the exception of OCM.

1.13 Annual General Meeting of PO

1.13.1 PO shall convene its Annual General Meeting on 24 September 2013. Inter alia, the Merger Agreement and, as a precaution, this Agreement as well, shall be submitted to it for resolution. The Management Board and the Supervisory Board of PO shall recommend to the Annual General Meeting that it approve both the Merger Agreement and this Agreement if and to the extent that they are not obligated by law to make a different recommendation.

1.13.2 The PO Anchor Shareholder shall use its voting rights at PO's Annual General Meeting to approve the merger resolution mentioned in item 1.13.1 above; the foregoing has been agreed between all Parties to this Agreement with the exception of PO.

1.13.3 The Parties shall not be obliged to fulfill the obligations arising from this Agreement for the time after the Annual General Meeting if the Annual General Meeting of PO fails to approve the Merger Agreement and this Agreement with the required majority.

1.14 Closing of the Merger Agreement

The respective Parties shall enter into the Merger Agreement that follows from Appendix 1.8 by means of a notarial deed jointly with this Agreement.

1.15 Application for Registration with the Commercial Registry Having Jurisdiction over PO and Coordination of the Actions Required to Bring About the Recordings

1.15.1 Once the Annual General Meetings of both PO and OCM have adopted the resolutions described in items 1.12 and 1.13 of this Agreement, PO shall immediately apply to the Commercial Registry having jurisdiction to have the Merger recorded. PO shall do everything in its power to ensure that the Merger is recorded in the respective Commercial Register as soon as possible in accordance with the provisions of both this Agreement and the Merger Agreement.

1.15.2 Likewise, OCM shall do everything in its power to coordinate with the Commercial Registry having jurisdiction that the measures resolved and requiring recording, specifically,

- (i) in a first step, the increase in the share capital of OCM from retained earnings from EUR 79,781 (after retiring the treasury shares) by EUR 81,920,219 to EUR 82,000,000 and the corresponding amendments to its Articles of Incorporation; and,
- (ii) in a second step, the following measures:
 - (a) the combination of PO with OCM;
 - (b) the increase in the share capital of OCM (i.e., the New PO) from EUR 82,000,000 by EUR 51,941,345 to EUR 133,941,345 for the purpose of carrying out the Merger (after the increase from retained earnings) that is required for the merger;
 - (c) the approval of EUR 66,970,672 in authorized capital for OCM (i.e., the New PO);
 - (d) the approval of EUR 25,000,000 in contingent capital for OCM (i.e., the New PO) in accordance with item 1.12.2; and
 - (e) the amendment of the Articles of Incorporation of OCM (i.e., of the New PO) in accordance with Appendix 1.12.1 (vi)

can be recorded in the appropriate Commercial Register as soon as OCM files the respective application pursuant to item 1.16 of this Agreement and all requirements pursuant to item 1.15.3 of this Agreement have been fulfilled.

1.15.3 The following principles shall apply in this connection:

The Parties shall coordinate with the respective Commercial Registries having jurisdiction and take all necessary actions so that the recording in the respective Commercial Registers pursuant to item 1.15.2 (ii) take place when all other requirements have been met and, if possible, immediately after OCM's current shares, as well as its shares from the capital increase using retained earnings, are listed on the Regulated Market of the Frankfurt/Main Stock Exchange subject to expanded listing requirements.

1.16 Applications for Registration with the Commercial Registry Having Jurisdiction over OCM

1.16.1 Immediately after the resolution pursuant to item 1.12.1 of this Agreement has been adopted, OCM shall apply for recording of the increase in OCM's capital from retained earnings in the appropriate Commercial Register.

1.16.2 OCM shall apply to the Commercial Registry having jurisdiction to have the measures described in item 1.15.2(ii) of this Agreement recorded immediately (and Oaktree shall ensure that the application is filed promptly but not earlier) when and as soon as

- (i) the Parties have coordinated with the Commercial Registries having jurisdiction in accordance with item 1.15.3 of this Agreement;
- (ii) the increase in the share capital of OCM from retained earnings pursuant to item 1.16.1 of this Agreement has been recorded;
- (iii) the antitrust clearance pursuant to item 1.9 of this Agreement has been granted; and
- (iv) it has been ensured that the refinancing measures of both PO and OCM pursuant to item 1.10 of this Agreement are completed no later than by the date the Merger takes effect.

1.17 Spruchverfahren

If shareholders of PO believe, within the meaning of Section 15 UmwG, that the conversion ratio applied to the shares is incorrect - i.e., too disadvantageous from their point of view - or that membership in the New PO is not sufficiently equivalent to an equity interest in PO, the New PO shall litigate the respective lawsuits in accordance with the provisions of the German Act on Court Proceedings under German Corporate Law [*Gesetz über das gesellschaftsrechtliche Spruchverfahren*] (SpruchG).

1.18 Additional Obligations

1.18.1 Oaktree undertakes not to sell its stake in OCM until the Merger has taken effect. In addition, both Oaktree and OCM undertake to enter into contractual arrangements with each other solely at arm's length until the Merger has taken effect.

1.18.2 OCM and PO shall pursue their respective business activities as previously in terms of manner and scope until the Merger has taken effect. In particular, they shall not take any of the steps specified below unless not taking them is prohibited in law and thus not consonant with the duties of the members of their corporate bodies:

- (a) Launch new or discontinue extant operations; establish new offices or branches;

- (b) Acquire or sell equity interests, entities, operations, or material operating units;
- (c) Acquire or sell real property outside of the normal course of business unless otherwise stipulated in item 3.1.1; provide collateral outside of the normal course of business unless necessary for implementing the refinancing measures pursuant to item 1.10;
- (d) Take out loans outside of the normal course of business and the implementation of the refinancing measures pursuant to item 1.10, as well as grant loans;
- (e) Amend the compensation or grant other benefits to employees, or grant other benefits (especially pension commitments) to employees, with the exception of salary increases and payments (also in connection with promotions) within customary parameters; and
- (f) Hire new employees in a scope that exceeds current practices.

1.18.3 The director's contract between PO and Mr. Richard Berg, which was closed effective 01 July 2013, shall end no later than by the time the Merger takes effect. The stipulated suspension of Mr. Berg's employment contract shall end at the same time as his director's contract. The employment contract shall be continued as agreed. Mr. Berg shall be granted registered power of representation [*Prokura*] at OCM with the right to represent the company jointly with a member of the Management Board or another executive with registered power of representation but without the right to engage in transactions pursuant to Section 48 (2) HGB (selling and encumbering of real property).

§ 2

Corporate Governance

Subject to the legality of all provisions in this § 2 and taking into account the duties of the Management Board and the Supervisory Board pursuant to Sections 93 and 116 AktG, as well as the set of rules allocating authority under German corporate laws, the Parties stipulate the following:

2.1 Principle

The New PO shall be managed in accordance with the principles of good corporate governance.

2.2 Management Board of the New PO

2.2.1 On 07 August 2013, the Supervisory Board of OCM appointed Mr. von Cramm (previously a member of PO's Management Board) to serve on the Management Board of the New PO effective at the time the Merger takes effect along with the current sole member of the Management Board, Mr. Overath.

2.2.2 On 07 August 2013, OCM, acting through its Supervisory Board, entered into a director's contract with Mr. von Cramm subject to the condition precedent that the Merger takes effect. This director's contract corresponds to Mr. von Cramm's previous director's contract with PO. In particular, it stipulates that the change-of-control clause in his director's contract with PO shall be included in his new director's contract with OCM (i.e., the New PO) and that the taking effect of the Merger triggers Mr. von Cramm's rights under the change-of-control clause. The payments to be made to Mr. von Cramm if he terminates his contract due to a change of control have been specified thereat. The previous provision regarding the use of a company car has been replaced by payment of an annual flat fee. The Supervisory Board of PO approved this director's contract on 05 August 2013. Finally, OCM, represented by its Supervisory Board, entered into a director's contract with Mr. Jürgen Overath - who did not have an employment contract with OCM to date - on 07 August 2013 in his capacity as member of the Management Board, which will take effect on 01 October 2013 and has a term of four years. This director's contract is not contingent on the implementation of the Merger. In keeping with the term of his director's contract, the Supervisory Board has extended the term of office of Mr. Overath as member of the Management Board of OCM until midnight on 30 September 2017.

2.3 Office in Munich

The Parties agree that the New PO will maintain an office in Munich until 31 December 2014 and that no terminations for operational reasons regarding the employees of PO working at that office will be made until that time.

2.4 No Management and Consulting Agreements

The Parties have reached an understanding that there are no extant agreements between the New PO, for one, and Oaktree, entities controlled by Oaktree, or entities in which Oaktree has a legal or financial interest in excess of 10% (the "*Oaktree Companies*"), for another, that obligate the New PO to pay management or consulting fees or like consideration to Oaktree Companies. The Parties have also reached an understanding that there are no extant consulting or other agreements between the New PO and members of the Supervisory Board of the New PO that obligate the New PO to pay consulting fees or like compensation to members of the New PO's Supervisory Board.

§ 3

Divestment Program and Valuation; Capital Increase; Hedging

3.1 Divestment Program and Valuation

3.1.1 The Parties agree that properties worth up to about EUR 250 million shall be sold under a divestment program. Inter alia, this divestment program entails selling the Süddeutsche Verlag property, Hultschiner Straße, in Munich. As far as the disposals taking place prior to the Merger

are concerned, an agreement shall be reached with the respective tax authorities with respect to the waiver of the property transfer tax in connection with the subsequent Merger (in application of the decree dated 16 September 2003, FM Baden-Württemberg 3 – S 4500/71) regarding the scope of the tax liability under Section 1 (1) no. 3 German Real Property Transfer Tax Act [*Gründerwerbsteuergesetz*] (GrEStG).

3.1.2 The Parties agree that the property Ludwig-Erhard-Anlage in Frankfurt/Main will be sold partially or wholly and/or that its usage type will be changed in collaboration with a project developer. In this case, a writedown shall be taken as necessary and shall be announced pro forma at the time the transaction is announced. PO's property portfolio shall be written down by about EUR 40 million relative to the values as of 30 June 2013.

3.2 Cash Capital Increase

3.2.1 Oaktree has undertaken pursuant to item 1.12.1 (v) of this Agreement to approve authorized capital of 66,970,672 for OCM. To the extent permitted in law, the Parties have agreed that, for in order to improve the capital structure of the New PO in the long term, this authorized capital shall be utilized immediately, but no later than within three months of the Merger's effective date, in the scope required for a cash capital increase that takes into account the subscription rights of the New PO's shareholders and is intended to generate cash proceeds of EUR 125 to EUR 175 million for the New PO. The Parties shall do everything legally possible to ensure that this capital increase is carried out as soon as possible after the Merger between PO and OCM has been recorded in the Commercial Register.

3.2.2 Oaktree shall contribute at least EUR 60 million to the cash capital increase.

3.3 Restructuring of Interest Rate Hedges

The New PO intends to restructure the extant interest rate hedges that will be transferred to it as part of the Merger and are set forth in [Appendix 3.3](#) using proceeds from the cash capital increase in order to substantially lower the interest expense that the New PO incurs. The aim is to reduce the interest expense by a minimum of one percentage point.

3.4 Additional Applications for Registration with the Commercial Registry Having Jurisdiction over OCM (the New PO)

The New PO shall apply to have the increase of its share capital using authorized capital recorded in the Commercial Register as soon as possible.

§ 4
Lock-Up

Taking customary requirements into account, Oaktree shall undertake - in an underwriting agreement to be made with respect to the listing of OCM (i.e., the New PO) - to refrain from selling, transferring, pledging, encumbering, trading, and other activities related to the shares of the New PO during a period of 12 months from the date on which the Merger is recorded in the Commercial Register.

§ 5
Notifications

5.1 All notifications, notices, or declarations of intent issued under or in connection with this Agreement shall be made in writing and in German, and shall be transmitted in person, by postal mail, or by fax (as set forth in detail in item 5.2 of this Agreement) to the other Parties unless mandatory law requires another form. With the exception of transmittals by fax, neither transmission by means of telecommunication nor transmission in electronic form shall be sufficient, unless otherwise stipulated in this Agreement.

5.2 All such notifications, notices, and declarations of intent shall be transmitted to the other Parties at the following addresses and to the attention of the following individuals (unless the respective other Parties have been notified, in writing, of changes):

5.2.1 To PO:

Prime Office REIT-AG
Management Board
Hopfenstraße 4
80335 Munich
Germany
Fax: +49 (89) 710 409 099

As well as FYI to its advisers:

Freshfields Bruckhaus Deringer LLP
Dr. Thorsten Kleine/Dr. Kai Hasselbach
Im Zollhafen 24
50678 Cologne
Germany
Fax: +49 (221) 20 50 79 0

5.2.2 To OCM:

Jürgen Overath / Christof Okulla
Managing Director CEO / Head of Finance (German Acorn)
Maarweg 165
50825 Cologne
Germany
Fax: +49 (221) 888 29 199

As well as FYI to its advisers:

Hengeler Mueller
Partnership of Attorneys
Dr. Klaus-Dieter Stephan
Dr. Peter Weyland
Bockenheimer Landstraße 24
60323 Frankfurt/Main
Germany
Fax: + 49 (69) 725 773

5.2.3 To Oaktree:

Oaktree Luxembourg
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26a, Boulevard Royal
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As well as FYI to its advisers:

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Hengeler Mueller
Partnership of Attorneys
Dr. Klaus-Dieter Stephan

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Bockenheimer Landstraße 24
60323 Frankfurt/Main
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5.2.4 To the PO Anchor Shareholder:

Amherst S.à r.l.

Director
26a, Boulevard Royal
7th floor
L-2449 Luxembourg
Luxembourg
Fax: +352 (26) 63 25 99

As well as FYI to:

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Tom Jagers
27 Knightsbridge, 4th Floor
London, SW1X 7LY
United Kingdom
Fax: + 44 207201 4601

§ 6
Costs

- 6.1 If the transaction is implemented as contemplated in this Agreement, the New PO shall pay all costs and outlays (including advisers' fees, costs, and outlays) with respect to the preparation, negotiation, and implementation of this Agreement and the transaction contemplated thereby that both the New PO and PO incur.
- 6.2 If the transaction is not implemented as contemplated in this Agreement, PO and OCM shall pay all costs and outlays (including their advisers' fees, costs, and outlays) with respect to the preparation, negotiation, and (partial) implementation of this Agreement and the transaction contemplated thereby at a ratio of 38.78% (PO) and 61.22% (OCM). However, with respect to the costs and outlays that each of PO and OCM incur by 11 April 2013 within the meaning of the foregoing sentence, this shall apply only up to a threshold of EUR 100,000.00. Insofar, any amounts in excess thereof shall be borne by the respective principal.

- 6.3 In any case, Oaktree and the PO Anchor Shareholder shall bear their own costs and outlays (including their advisers' fees, costs, and outlays) with respect to the preparation, negotiation, and implementation of this Agreement and the transaction contemplated thereby.

§ 7 Confidentiality

- 7.1 The Parties agree to keep strictly confidential all (written or oral) information, data (including financial, technical, or other data relevant to the business), or other statements (of whatsoever type or content) that arise under or in connection with this Agreement - together referred to as the “*Confidential Information*” - including the information and knowledge derived from the Confidential Information, and no Party shall forward information related to the content of the present Agreement to third parties or make such information available to third parties absent the prior written consent of all other Parties.
- 7.2 The obligation to maintain confidentiality as set forth in item 7.1 of this Agreement shall not apply to Confidential Information
- 7.2.1 which must be disclosed in connection with the resolution of PO's Annual General Meeting regarding this Agreement;
- 7.2.2 which were already known to the public prior to the signing date or subsequently became known to it, to the extent that such publication was not based on a breach of this Agreement;
- 7.2.3 which one Party has received from third parties as nonconfidential information and without breaching its obligation vis-à-vis the company to maintain confidentiality; and
- 7.2.4 which one Party must disclose under mandatory statutory requirements (including stock exchange rules and regulations). In this case, the disclosing Party shall notify the Company prior to disclosure of the Confidential Information and shall specify the grounds for disclosing it, unless such notification is prohibited by law or is impossible under applicable statutory requirements; or
- 7.2.5 if the respective Party has waived its right to have the information treated confidentially in writing.
- 7.3 A Party that breaches its obligations under this item 7 shall be liable under general principles of German law.

§ 8
Right of Rescission

- 8.1 Each Party may rescind this Agreement by means of a written statement vis-à-vis the other Parties effective immediately
 - 8.1.1 if OCM or PO rescind the Merger Agreement in accordance with Section 9 thereof (see Appendix 1.8); or
 - 8.1.2 if the Merger Agreement is submitted to PO's Annual General Meeting for approval but the resolution is not adopted, particularly because it does not receive the majority required by law of three-fourths of the share capital represented at the time of voting.
- 8.2 There is no contractual obligation to rescind.

§ 9
Closing Provisions

- 9.1 Unless expressly stipulated otherwise in this Agreement, all amounts to be paid hereunder shall be paid in euros, free of costs and fees, in immediately available funds by means of electronic settlement and clearing subject to posting as of the respective due date.
- 9.2 None of the provisions in this Agreement shall be construed as establishing a civil law partnership pursuant to *Sections 705 et seq. German Civil Code [Bürgerliches Gesetzbuch] (BGB)* or any other partnership between the investor and the Company.
- 9.3 No Party shall be authorized to pledge or assign any rights or claims under this Agreement, in whole or in part, absent the other Parties' prior consent.
- 9.4 Amendments of or addenda to this Agreement must be made in writing unless mandatory law prescribes stricter form requirements (e.g., notarial recording). This shall also apply to any waiver of compliance with this item 9.4.
- 9.5 Appendices 1.7, 1.8, 1.12.1(vi) and 1.12.2.(i) were read out. Appendices 1.4.1, 1.4.2, 1.5.3, and 3.3 were reviewed by the Parties and signed on each page; a reading of these Appendices was waived. Appendices 1.3 and 1.6 have been attached to this notarial record for evidence purposes.
- 9.6 This Agreement establishes rights and duties solely between its Parties.

- 9.7 The headings in this Agreement solely serve purposes of clarity. They shall not be taken into account in any interpretation of this Agreement.
- 9.8 If a provision of this Agreement is or becomes wholly or partly null and void, invalid or unenforceable, such shall not affect the validity and enforceability of the remaining provisions of this Agreement. Any null and void, invalid or unenforceable provision shall be automatically replaced by a valid and enforceable provision that reflects, to the extent permitted in law, the economic intent and purpose of the original provision as closely as possible. The above shall apply mutatis mutandis if there is an unintentional gap in this Agreement.

§ 10

Applicable Law, Place of Jurisdiction

- 10.1 The present Agreement is subject to German law; international private law shall be excluded.
- 10.2 Frankfurt/Main shall be the place of jurisdiction for all disputes arising in connection with this Agreement or its validity.

List of Appendices:

- Appendix 1.3: Ad hoc notice pursuant to Section 15 WpHG dated 08 May 2013
- Appendix 1.4.1: Loans in regards to which PO has negotiated refinancing terms with both Landesbank Hessen-Thüringen and Corealcredit Bank AG
- Appendix 1.4.2: Loans in regards to which PO has conducted talks with the lenders to ascertain whether they would waive the termination rights inuring to them if the Merger took effect or if PO's position as REIT AG was jeopardized or lost
- Appendix 1.5.3: Liabilities to banks in regards to which OCM has negotiated refinancing terms with the respective lenders
- Appendix 1.6: Ruling dated 23 May 2013 of the Munich Regional Court I regarding the appointment of BDO AG as the merger auditor
- Appendix 1.7: Content of the ad hoc notice to be published by PO in accordance with Section 15 WpHG after this Business Combination Agreement is signed
- Appendix 1.8: Merger Agreement between PO and OCM
- Appendix 1.12.1 (vi): Amendment of the Articles of Incorporation of OCM (i.e., of the New PO)
- Appendix 1.12.2 (i): Authorization of the Management Board to issue convertible bonds and bonds with warrants
- Appendix 3.3: Interest rate hedges to be restructured



Prime Office AG

This press release and the information contained in this press release are not intended for disclosure or distribution in the United States of America, Canada, Australia or Japan and do not constitute an offer to purchase securities in these countries.

08 May 2013

DGAP-ad-hoc: Prime Office REIT-AG: Planned Merger

Prime Office REIT-AG / Key word(s): Mergers & Acquisitions

08 May 2013 07:27

Dissemination of an Ad hoc announcement according to § 15 WpHG, transmitted by DGAP - a company of EquityStory AG. The issuer is solely responsible for the content of this announcement.

The boards of Prime Office REIT-AG and OCM German Real Estate Holding AG have started talks on a potential merger of both companies to create a listed combined company. Should the talks progress positively, the companies plan to take the necessary steps that are required for a merger including the determination of the merger exchange ratio and the appointment of the merger auditor.

Prime Office REIT-AG
Hopfenstraße 4
80335 München
Deutschland

Contact:
Richard Berg
Phone: +49-89-710-4090-40
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08 May 2013 DGAP's Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases. Media archive at www.dgap-medientreff.de and www.dgap.de

Language: German
Company: Prime Office REIT-AG
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Phone: +49 (0)89 7104090 40
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E-mail: richard.berg@prime-office.ag
Internet: www.prim-office.ag
ISIN: DE000PRME012

WKN: PRME01

Indices: SDAX

Listed: Regulated Market in Frankfurt/Main (Prime Standard), Munich,
Stuttgart; over the counter market in Berlin, Düsseldorf

End of Announcement DGAP News-Service

[back](#)

Appendix 1.4.1

List of the Loans of Prime Office to be Restructured

No.	Property Financed	Bank	Nominal Value (in EUR)	Maturity
1.	Nuremberg, Sigmund Schuckert Haus	Landesbank Hessen-Thüringen	9.0 million	31 December 2013
2.	Stuttgart, emporia	Landesbank Hessen-Thüringen	32.0 million	31 December 2013
3.	Düsseldorf, Xcite	Landesbank Hessen-Thüringen	68.0 million	31 December 2013
4.	Darmstadt, T-Systems	Corealcredit Bank AG	27.2 million	30 June 2014

Appendix 1.4.2:

Lenders of PO that have termination rights if the Merger takes effect or if PO's position as REIT AG is jeopardized or lost:

No.	Lender	Borrower	Date of the Loan Agreement / Purpose of the Loan / Property
1.	Landesbank Hessen- Thüringen	Prime Office	23 December 2002 (along with addenda dated 21/26 February 2003; 4/6 June 2003; 1/7 July 2003; 22/24 September 2003; 7/15 October 2003; 25 January/4 February 2008; 27/30 December 2010; 6/9 December 2011) Frankfurt: Oberpostdirektion
2.	Berlin- Hannoversche Hypothesenbank AG	Prime Office	23 June 2008 Düsseldorf: Meerbusch
3.	Landesbank Berlin AG	Prime Office	27 January 2009 (along with addenda dated 10 March 2009 and 18/21 December 2009) Essen: Hochtief-Zentrale
4.	Unicredit Bank AG	Prime Office	19 Mai 2010 Essen: Gruga-Park; Heilbronn: Neckar-Turm
5.	Unicredit Bank AG	Prime Office	18 December 2007 (along with addenda dated 14/21 January 2008; 17/29 December 2008; 22/23 December 2009; 24 May 2011 and 24 May 2011) Munich: Süddeutscher Verlag
6.	Unicredit Bank AG	Prime Office	14/21 January 2008 Munich: Süddeutscher Verlag
7.	Unicredit Bank AG	Prime Office	14/21 January 2008 Munich: Süddeutscher Verlag
8.	Unicredit Bank AG	Prime Office	11 July 2011 Essen: Gruga-Park; Munich: BMW; Heilbronn: Neckar-Turm; Hamburg: Imtech-Haus

9.	Deutsche Genossenschafts- Hypothekebank AG	Prime Office	28 December 2009 Munich: BMW
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Appendix 1.5.3:

Liabilities to Banks of the OCM-Portfolios in regards to which OCM has Negotiated Refinancing Terms with the Respective Lenders:

OCM Portfolio	Bank Liability
Herkules Acquisition Financing	Herkules Senior Loan for co-financing the acquisition of the Herkules Portfolio in accordance with the Term Facility Agreement that was made on 17 November 2006 with a banking syndicate and Barclays Bank PLC as agent; it was amended in 2007, 2008, and most recently by the Amendment Agreement dated 30 April 2010
Homer Acquisition Financing	Acquisition loan for co-financing the acquisition of the Homer Portfolio in accordance with the Loan Agreement dated 14 November 2007 with Landesbank Hessen-Thüringen Girozentrale

Appendix 1.6

Munich Regional Court I
Civil Division

Landgericht München I 80316 Munich

Freshfields, Bruckhaus, Deringer

Attorneys at Law

Im Zollhafen 24

50678 Cologne

0221/2050790

For inquiries:

Telephone: +49 89 5597-2317

Fax: +49 89 5597-3003

Room: 602

Best times to reach the appropriate office:

Mon - Thu: 8:00 a.m. - 3:00 p.m.

and Fri: 8:00 a.m. to 2:00 p.m.

Your reference #	Please specify the Docket/file # in your answer	Date
TK 151381-0009	5 HK O 11520/13	23 May 2013

In re
Prime Office REIT-AG et al.
Regarding: Appointment of an auditor

Dear Sir or Madam:

We are sending you the enclosed Ruling for your information.

Sincerely,

Pidhorianski
Court Clerk

This letter was prepared electronically and is valid without a signature.

Physical address
Lenbachplatz 7
80316 Munich

Transportation stops
Subway, commuter train:
Karlsplatz

Night drop boxes:
Prielmayerstraße 7
Pacellistraße 5
Infanteriestraße 5
Nymphenburger Straße 16

Communication
Telephone:
089/5597-03
Fax:
089/5597-2991, -2087

Munich Regional Court I
Courthouse at Lenbachplatz 7
80136 Munich

5HK O 11520/12

Ruling
dated 23 May 2013

1. Upon application of

Prime Office REIT-AG
Hopfenstrasse 4
80335 Munich

and

OCM German Real Estate Holding AG
Maarweg 165
50825 Cologne,

the 5th Chamber for Commercial Matters at the Munich Regional Court I appoints

BDO AG
Wirtschaftsprüfungsgesellschaft
Mr. Alfred Graßl, Auditor
Leonhard-Moll-Bogen 10
81373 Munich

in accordance with Sections 9 and 10 German Reorganization Act [*Umwandlungsgesetz*] (UmwG) to serve as the joint auditor for the purpose of auditing the merger agreement between Prime Office REIT-AG as the transferring entity and OCM German Real Estate Holding AG as the acquiring entity.

2. The value of the Court's transaction is determined to be € **3,000.00**; Section 30 II German Regulations on Court Costs [*Kostenordnung*] (KostO)

Grounds:

The proposed auditing firm is suitable. Hence the Court selected and appointed it based on the applicants' suggestion from among the group of the three firms proposed.

[signature]
Dr. Krenek
Presiding Judge
at the Regional Court

Appendix 1.7

On 07 August 2013, Prime Office REIT-AG and OCM German Real Estate Holding AG entered into a business combination agreement. According to this agreement, Prime Office REIT-AG as the transferring entity is to be merged with OCM German Real Estate Holding AG as the acquiring entity; the entity resulting from the merger will retain the name "Prime Office". On the same date, the aforementioned companies also entered into a merger agreement to implement the business combination agreement. Both companies' supervisory bodies have already approved both the business combination agreement and the merger agreement.

By merging, Prime Office REIT-AG and OCM German Real Estate Holding AG aim to create a leading German office property company that is focused on continued internal and external portfolio growth. The medium-term plan is for the merged company to become listed in the MDAX-Index of Deutsche Börse.

Under the business combination agreement and the merger agreement, the shareholders of Prime Office REIT-AG will receive one share of OCM German Real Estate Holding AG for each share of Prime Office REIT-AG as consideration for the transfer of the assets of Prime Office REIT-AG in connection with the merger. The parties have agreed that OCM German Real Estate Holding AG will raise its share capital to EUR 82,000,000 from retained earnings before the merger takes effect. This corresponds to relative values of 38.78% (Prime Office REIT-AG) and 61.22% (OCM German Real Estate Holding AG). The company valuations carried out by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, Hamburg branch, at the behest of both parties resulted in a less favorable ratio for Prime Office REIT-AG shareholders of 37,99% (Prime Office REIT-AG) to 62,01% (OCM German Real Estate Holding AG).

Before the merger is recorded in the Commercial Register, OCM German Real Estate Holding AG will apply for admission of its shares to trading on the Regulated Market of the Frankfurt Stock Exchange with additional obligations arising from admission. This will ensure that its shares are listed and tradable immediately after the merger has taken effect and a sufficient amount of free float has been achieved. There are no plans for OCM German Real Estate Holding AG to obtain REIT status after the merger has taken effect.

The Management Board of the merged entity will consist of the previous sole member of the Management Board of OCM German Real Estate Holding AG, Mr. Jürgen Overath, and the current chairman of the Management Board of Prime Office REIT-AG, Mr. Alexander von Cramm.

To take effect, the merger must be approved by the annual general meetings of Prime Office REIT-AG and OCM German Real Estate Holding AG. The annual general meeting of Prime Office REIT-AG that had been convened for 21 August 2013 will be

cancelled in order to avoid additional costs for holding two annual general meetings. Instead, Prime Office REIT-AG is expected to hold an annual general meeting on 24 September 2013, which, in addition to transacting all items provided for in the agenda for the annual general meeting on 21 August 2013, will be asked to approve the business combination agreement and the merger agreement.

The merger is subject to additional conditions precedent and requires antitrust clearance by the Bundeskartellamt before it can take effect.

Properties of Prime Office REIT-AG and OCM German Real Estate Holding AG worth around EUR 250 million are to be sold under a special divestment program. This includes the sale of Prime Office REIT-AG's Süddeutsche Verlag and Hufelandstraße properties in Munich. In addition, the Ludwig-Erhard-Anlage property of Prime Office REIT-AG in Frankfurt/Main is to be sold, in whole or in part, and/or its usage type is to be changed with the assistance of a project developer after the merger.

In order to ensure that the entity resulting from the merger is adequately capitalized, a capital increase from authorized capital is to be carried out preserving the shareholders' subscription rights of the merger's effective date; the capital increase is expected to generate a cash inflow of EUR 125 to 175 million.

Appendix 1.8

MERGER AGREEMENT

by and between

Prime Office REIT-AG

domiciled in Munich, as the transferring entity,

and

OCM German Real Estate Holding AG

domiciled in Cologne, as the acquiring entity.

RECITALS

(1) Prime Office REIT-AG (hereinafter referred to as *Prime Office* or the *transferring entity*) is domiciled at Hopfenstrasse 4, 80335 Munich, and is registered with the Commercial Registry of the Munich District Court under the number HRB 133535. The share capital of Prime Office is EUR 51,941,345 (in words: fifty-one million nine hundred and forty-one thousand three hundred and forty-five euros) and is divided into 51,941,345 no-par bearer shares. The shares have been fully paid in.

(2) OCM German Real Estate Holding AG (hereinafter referred to as *OCM* or the *acquiring entity*) is domiciled at Maarweg 165, 50825 Cologne, and is registered with the Commercial Registry of the Cologne District Court under the number HRB 67370. The share capital of OCM is EUR 83,804 (in words: eighty-three thousand eight hundred and four euros) and is divided into 83,804 no-par bearer shares. The shares have been fully paid in.

(3) By this Agreement, Prime Office as the transferring entity shall be merged with OCM as the acquiring entity. The purpose of this merger agreement is to create a leading German office property company that is focused on continued internal and external portfolio growth and in the medium term shall be listed in the MDAX-Index of Deutsche Börse.

(4) Boosting the enterprise value, ensuring the merged entity's long-term ability to pay dividends, increasing the liquidity of its shares, improving its access to funding, and thus overall creating added value for all shareholders and owners of the participating entities are additional aims of the transaction.

(5) The merger shall be carried out in ways that take the interests of all other stakeholders - particularly the employees and the creditors of the participating companies - into account.

(6) OCH shall retire 4,023 treasury shares that it is holding before this Agreement takes effect and thus reduce its share capital by EUR 4,023 (in words: four thousand and twenty-three euros) to EUR 79,781 (in words: seventy-nine thousand seven hundred and eighty-one euros).

(7) In addition, OCM shall carry out a capital increase using retained earnings before this Agreement takes effect to increase its share capital by EUR 81,920,219 (in words: eighty-one million nine hundred twenty thousand two hundred and nineteen euros) to EUR 82,000,000 (in words: eighty-two million euros). Given the agreed exchange ratio of one share of OCM for each share of Prime Office, this reflects a value ratio between the participating entities of approximately 38.78% (Prime Office) and 61.22% (OCM).

Now, therefore, the Parties agree to the following:

§ 1 Transfer of Assets

1.1 Prime Office shall transfer its assets in toto to OCM, with all rights and duties, by means of merger by dissolution without liquidation pursuant to Section 2 no. 1 German Reorganization and Transformation Act [*Umwandlungsgesetz*] (UmwG) in return for shares in OCM (merger by acquisition [*Verschmelzung durch Aufnahme*]).

1.2 This Merger Agreement is subject to the following conditions precedent:

1.2.1 The merger has been approved under German antitrust laws and the approval shall be deemed to have been granted if:

(i) the Federal Cartel Office [*Bundeskartellamt*] has approved the planned merger in accordance with Section 40 (2) sentence 1 German Act Against Restraints on Competition [*Gesetz gegen Wettbewerbsbeschränkungen*] (GWB); or

(ii) the *Bundeskartellamt* has approved the planned merger in accordance with Section 40 (3) sentence 1 GWB subject to one or more conditions precedent and the given condition(s) precedent has/have been satisfied; or

(iii) the *Bundeskartellamt* has notified the applicant entities in writing that the requirements for prohibiting the transaction pursuant to Section 36 GWB have not been met; or

(iv) the one-month period pursuant to Section 40 (1) GWB has passed without the Bundeskartellamt notifying the applicant entities that the main examination proceedings pursuant to Section 40 (1) sentence 1 GWB have been initiated; or

(v) the four-month period for prohibiting the transaction pursuant to Section 40 (2) sentence 2 GWB has passed and the Bundeskartellamt (x) has not prohibited the planned merger or (y) has agreed on a deadline extension with the applicant entities in accordance with Section 40 (2) sentence 4 no. 1 GWB; or

(vi) a deadline extension stipulated in accordance with Section 40 (2) sentence 4 no. 1 GWB has expired without any one of the events set forth in item 1.2.1 (v), alternative (x) or (y), having occurred.

1.2.2 OCM has carried out the capital measures stipulated in § 3.1 and § 3.2 of this Agreement, and they have been registered with the Commercial Registry having jurisdiction over OCM.

1.2.3 Prime Office has entered into loan agreements that are subject to the condition precedent that this Agreement takes effect, namely with Landesbank Hessen-Thüringen regarding the refinancing of the properties in Düsseldorf, Stuttgart, and Nuremberg, and with Corealcredit Bank AG regarding the refinancing of the property in Darmstadt.

1.2.4 The lenders of the loans enumerated in Appendix 1.2.4 have waived the termination rights and similar rights inuring to them if the merger takes effect or if the borrower's position as REIT AG is jeopardized or lost.

1.2.5 The property companies whose shares are held, directly or indirectly, by German Acorn PortfolioCo I GmbH or German Acorn PortfolioCo II GmbH in their capacity as subsidiaries of OCM have entered into loan agreements that serve to replace, no later than by the time the merger takes effect, any financing previously obtained for the acquisition of the respective properties.

1.2.6 The content of OCM's Articles of Incorporation pursuant to Appendix 1.2.6 has been adopted by OCM's Annual General Meeting.

1.2.7 Prime Office has entered into real property sale and purchase agreements, which were transacted by notarial deed, selling properties of its portfolio with a purchase price of EUR 170 million at minimum.

1.2.8 The Parties may jointly waive all or some of the conditions precedent set forth in foregoing § 1.2.2 through § 1.2.7. The given condition precedent shall be deemed to have been satisfied if it is waived.

1.2.9 Corresponding mutual written declarations of both parties which state that the conditions precedent as listed in §§ 1.2.2 through 1.2.7 have been met or are to be considered as met according to § 1.2.8 shall be sufficient proof of the occurrence of such conditions precedent. The parties shall not be prevented from providing other evidence to show that all conditions precedent have been met.

1.3 The balance sheet of Prime Office as of 30 June 2013, containing an unqualified audit certificate issued by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, shall constitute its closing balance sheet for the merger.

1.4 The takeover of the assets of Prime Office shall be effected inter partes as of midnight on 30 June 2013. From 00:00:00 a.m. on 01 July 2013 (the “*Merger Date*”), all actions and transactions of Prime Office shall be deemed to have been made for the account of OCM.

1.5 OCM shall carry forward the fair values of the assets and liabilities to be transferred, as reported in the closing balance sheet of Prime Office, to new account in its annual financial statements (predecessor accounting).

§ 2 Consideration

2.1 At the time the Merger takes effect, OCM shall grant to the shareholders of Prime Office shares in OCM, at no cost, as consideration for the transfer of the assets of Prime Office in accordance with the following conversion ratio:

One no-par bearer share of Prime Office with a pro rata interest in the share capital of EUR 1.00 per share shall be exchanged for one no-par bearer share of OCM with a pro rata interest in the share capital of EUR 1.00 per share.

2.2 The new shares of OCM that are granted as consideration shall be entitled to dividends as of 01 January 2013.

2.3 OCM shall apply for admission of its shares to trading on the Frankfurt Stock Exchange.

§ 3 Capital Reduction and Increases

3.1 OCH shall retire 4,023 treasury shares that it is holding before this Agreement takes effect and thus reduce its share capital by EUR 4,023 (in words: four thousand and twenty-three euros) to EUR 79,781 (in words: seventy-nine thousand seven hundred and eighty-one euros).

3.2 Subsequently, OCM shall carry out a capital increase using retained earnings before this Agreement takes effect to increase its share capital from EUR 79,781

(in words: seventy-nine thousand seven hundred and eighty-one euros) by EUR 81,920,219 (in words: eighty-one million nine hundred twenty thousand two hundred and nineteen euros) to EUR 82,000,000 (in words: eighty-two million euros).

3.3 To carry out the Merger, OCM shall then increase its share capital from EUR 82,000,000 (in words: eighty-two million euros) by EUR 51,941,345 (in words: fifty-one million nine hundred and forty-one thousand three hundred and forty-five euros) to EUR 133,941,345 (in words: one hundred and thirty-three million nine hundred and forty-one thousand three hundred and forty-five euros) by issuing 51,941,345 new no-par bearer shares that have a pro-rata interest in the share capital of EUR 1.00 per share and are entitled to dividends from 01 January 2013.

§ 4 Special Benefits and Rights

4.1 No special rights as defined in Section 5 (1) no. 7 UmwG shall be granted to individual shareholders or holders of special rights, nor are special measures stipulated for such persons.

4.2 Likewise, no special benefits shall be granted to Management Board members, Supervisory Board members and auditors of the participating entities, or the merger auditor - subject to the provisions in §§ 4.3 et seq. that have been included for reasons of legal precaution.

4.3 On 07 August 2013, the Supervisory Board of OCM appointed Mr. von Cramm (previously a member of the Management Board of Prime Office) to serve on the Management Board of OCM, effective at the time the merger takes effect, along with the current sole member of the Management Board, Mr. Overath.

4.4 In addition, on 07 August 2013, OCM, acting through its Supervisory Board, entered into a director's contract with Mr. von Cramm subject to the condition precedent that the merger takes effect. This director's contract corresponds to Mr. von Cramm's previous director's contract with Prime Office, with the exception of the provisions set forth below; in particular, it takes over the change-of-control clause that was contained in Mr. von Cramm's director's contract with Prime Office. The new agreement also clarifies that the taking effect of the merger triggers Mr. von Cramm's rights under the change-of-control clause. For purposes of clarity, the existing contractual provisions regarding the payments to be made to Mr. von Cramm if he terminates his director's contract due to a change of control and the determination of such payments have been specified. Accordingly, a gross payment of EUR 28,260 plus a payment equivalent to 1,250 times the 30-day volume-weighted average price of OCM's stock during the period starting with the first trading day after recordal of the merger in the Commercial Register, multiplied by the number of months of the remaining term of his director's contract (until 31 December 2015 at the most), shall be made to Mr. von Cramm. Irrespective of the remaining term of his

director's contract, Mr. von Cramm shall also be paid a flat amount equivalent to 15,000 times the 30-day volume-weighted average price of OCM's stock during the period starting with the first trading day after recordal of the merger in the Commercial Register for the performance unit shares that were granted for the 2011 fiscal year. The previous stipulation regarding the use of a company car has been replaced by a flat fee of EUR 12,000.00 p.a. The Supervisory Board of Prime Office approved this director's contract on 05 August 2013.

4.5 The director's contract dated 5 August 2013 between Mr. Richard Berg and Prime Office shall end no later than at the time the merger is recorded in the Commercial Registry having jurisdiction over OCM. The employment contract between Prime Office and Mr. Berg, which has been in existence since 17 July 2007 and was suspended for the time during which Mr. Berg served on the Management Board of Prime Office, shall be continued at the time his director's contract ends and shall be transferred to OCM as part of the merger, with all rights and duties, in accordance with Section 324 UmwG in conjunction with Section 613a German Civil Code [*Bürgerliches Gesetzbuch*] (BGB). Consequently, Mr. Berg shall take up the position of Director of Investor Relations at OCM. The Parties agree that Mr. Berg shall also become an authorized representative (*Prokurist*) at OCM.

4.6 Finally, OCM, represented by its Supervisory Board, entered into a director's contract with Mr. Jürgen Overath - who did not have an employment contract with OCM to date - which will take effect on 01 October 2013 and has a term of four years. This director's contract is not contingent on the implementation of the merger. In keeping with the term of his director's contract, the Supervisory Board has extended the term of office of Mr. Overath as member of the Management Board of OCM until midnight on 30 September 2017.

4.7 On 07 August 2013, the Annual General Meeting of OCM appointed the following individuals to the Supervisory Board effective at the time the merger takes effect, who shall serve alongside the extant members of the Supervisory Board, Uwe Flach, Hermann Dambach and Nebil Senman:

Professor h.c. Roland Berger, PhD and

Prof. Dr. Harald Wiedmann, PhD.

§ 5 Trustee

5.1 Prime Office has appointed Joh. Berenberg, Gossler & Co. KG to serve as trustee in connection with the receipt of the shares to be granted by OCM.

5.2 OCM shall transfer the shares to be granted to the shareholders of Prime Office as consideration to the trustee before the merger is registered with the

Commercial Registry having jurisdiction over OCM and shall instruct the trustee to deliver the shares to the shareholders of Prime Office, provided that such delivery is made step by step (*Zug um Zug*) in return for surrender of the shares of Prime Office.

§ 6 Consequences of the Merger for the Employees and their Representatives

6.1 At the time the merger takes effect by means of registration with the Commercial Registry having jurisdiction over the acquiring entity, all extant employment contracts of the personnel employed with Prime Office at such time shall be transferred to OCM, with all rights and duties, in accordance with Section 324 UmwG in conjunction with Section 613 a BGB. In its capacity as the new employer, OCM shall assume all rights and duties under the employment contracts extant at the time the merger takes effect. The transfer of the employment contracts shall not be retroactive to the Merger Date. Pursuant to Section 613 a (4) BGB, the employment contracts of the personnel transferred to OCM may not be terminated on account of the merger.

6.2 In terms of individual rights, the merger shall not have any effect on the employment contracts being transferred from Prime Office to OCM on account of the Merger Agreement. The legal status of the transferring contracts at the time the merger takes effect shall govern the content of the contractual rights and duties. OCM shall continue the transferred employment contracts unchanged at their extant terms, as applicable subject to full credit for years of service and including extant pension commitments.

6.3 Neither Prime Office nor OCM belong to an employers' association. Collective bargaining agreements are not in place prior to the merger and shall not apply after it. Neither company has a works council, and there are no shop agreements.

6.4 The Merger will not have any effects under the German co-determination law because the merged entity will not reach the material thresholds.

6.5 No other measures regarding the employees and their representatives are envisioned at this time.

6.6 The employees shall be notified in text form pursuant to Section 613 a (5) BGB of the grounds for and the planned date of the transfer, as well as of the consequences thereof and the envisioned measures as set forth in this § 6. Under the consistent rulings of the Federal Labor Court [*Bundesarbeitsgericht*] (BAG), employees do not have a right to object to the transfer of their employment contracts

in connection with a merger because their previous employer is dissolved at the time the merger takes effect.

6.7 Prime Office does not employ any trainees. If Prime Office is employing trainees at the time the merger takes effect, the provisions set forth above with respect to the employees of Prime Office shall apply to them *mutatis mutandis*.

§ 7 Costs

7.1 If the transaction is implemented as contemplated in this Agreement, OCM shall pay all costs and outlays (including advisers' fees, costs, and outlays) with respect to the preparation, negotiation, and implementation of this Agreement that are incurred by both OCM and Prime Office.

7.2 If the transaction is not implemented as contemplated in this Agreement, Prime Office and OCM shall pay all costs and outlays (including their advisers' fees, costs, and outlays) with respect to the preparation, negotiation, and (partial) implementation of this Agreement at a ratio of 38.78% (Prime Office) and 61.22% (OCM). However, with respect to the costs and outlays that each of Prime Office and OCM incur by 11 April 2013 within the meaning of the foregoing sentence, this shall apply only up to a threshold of EUR 100,000.00. Insofar, any amounts in excess thereof shall be borne by the respective principal.

7.3 In relation to third parties, the Parties shall pay the notary's fees and costs that arise in connection with the closing and implementation of this Merger Agreement at the ratio of 38.78% (Prime Office) and 61.22% (OCM); each Party shall pay the cost of registration with the Commercial Registry having jurisdiction over it. These costs, too, shall be included in the accounting pursuant to items 7.1 and 7.2.

7.4 These provisions shall also apply if the merger does not take effect because one of the Parties rescinded it or on any other ground.

§ 8 Change of the Merger Date

Notwithstanding § 1.3, the balance sheet of Prime Office as of 31 December 2013 shall be deemed the closing balance sheet for the purposes of the merger if the merger has not been registered with the Commercial Registry having jurisdiction over OCM by midnight on 31 March 2014. Notwithstanding § 1.4 sentence 1, midnight on 31 December 2013 shall be deemed the time at which the assets are taken over. Notwithstanding § 1.4 sentence 2, 00:00:00 a.m. on 01 January 2014 shall be fixed as the Merger Date. Notwithstanding § 2.2 and the end of § 3.3, the new shares in OCM granted as consideration shall only be entitled to dividends from 01 January 2014 if the Merger is not registered with the Commercial Registry having jurisdiction over OCM until after the 2014 Annual General Meeting of Prime Office that resolves the

appropriation of profits for the 2013 fiscal year. In this case, OCM shall hold its 2014 Annual General Meeting after the 2014 Annual General Meeting of Prime Office, taking the requirements of Section 175 (1) sentence 2 German Stock Corporation Act [*Aktiengesetz*] (AktG) into account.

§ 9 Right of Rescission

9.1 Each Party hereto may rescind this Merger Agreement effective immediately if one of the conditions precedent stipulated in § 1.2 of this Merger Agreement has not been satisfied by midnight on 30 June 2014 or if the merger has not taken effect by midnight on 30 June 2014 by means of registration with the Commercial Registry having jurisdiction over OCM.

9.2 Both the notary transacting this Agreement and the appropriate Registry Courts shall be notified of any rescission immediately. There is no contractual obligation to rescind.

§ 10 Closing Provisions

10.1 Any ineffectiveness in law, now or in the future, of individual provisions of this Agreement shall not affect the validity of its other provisions. The same shall apply if it transpires that there is a gap in this Agreement. The Parties undertake to stipulate appropriate substitute provisions in lieu of the ineffective or unenforceable provisions, or to fill the gap, that approximate as closely as possible the content of the ineffective or unenforceable provisions.

10.2 The Transferring Entity owns the real property enumerated in Appendix 10.2.

Application to amend the corresponding entries in the property register is made hereby. The notary is instructed and authorized to initiate the changes in the property register.

10.3 This Merger Agreement shall take effect only if the Annual General Meetings of OCM and Prime Office approve it by means of a merger resolution pursuant to Sections 13 (1) and 65 (1) UmwG.

10.4 The draft of this Merger Agreement shall be filed with the Commercial Registry in accordance with Section 61 UmwG.

10.5 Appendix 1.2.6 was read out. Appendices 1.2.4 and 10.2 were reviewed and signed; a reading of these Appendices was waived.

Appendix 1.12.2(i)

In case the Annual General Meeting of OCM does not resolve on the following authorizations on 23 September 2013, the date of the resolution and 22 September 2013 as the final date are to be adjusted accordingly.

Agenda Item [■]: Resolution to Authorize the Buyback and Use of Treasury Shares Pursuant to Section 71 (1) No. 8 German Stock Corporation Act [*Aktiengesetz*] (AktG)

- a) The Company is authorized to buy back treasury shares equivalent to up to 10% of the extant share capital at the time of the resolution. The shares bought back under this authorization, along with the Company's other treasury shares, which it already purchased and still retains, or which must be attributed to it pursuant to Sections 71d and 71e AktG, may not account for more than 10% of the share capital at any time. This authorization may be exercised by affiliates or by entities in which the Company has a controlling interest, or by third parties for the account of the Company, affiliates, or entities in which the Company has a controlling interest. The authorization may be exercised in whole or in part, once or repeatedly. It will take effect upon conclusion of today's Annual General Meeting and shall remain in effect until [22 September 2018].
- b) The buyback shall be made in compliance with the equality principle (Section 53a AktG) at the discretion of the Management Board via the stock market or by means of a public buyback offer to all shareholders or a public invitation to all of the Company's shareholders to make sale offers that must also comply with the equality principle (Section 53a AktG), subject to the exclusion of the right to tender set forth below in letter b) number (2). A buyback on the stock market may be effected through a bank or another entity that fulfills the requirements of Section 186 (5) sentence 1 AktG (hereinafter jointly referred to as the "Issuing Entity") such that the Issuing Entity is commissioned to carry out the buyback under a specific buyback program.
 - (1) If the share buyback is made on the stock market, the buyback price (excluding transaction costs) may not be 10% higher or lower than the mathematical mean of the share price - closing auction prices of the stock of the Company in XETRA trading or a corresponding successor system - on the Frankfurt Stock Exchange on the last ten trading days prior to the buyback or the assumption of an obligation to effect the buyback.
 - (2) If the buyback is made pursuant to a public buyback offer to all shareholders or pursuant to a public invitation to all of the Company's shareholders to make sale offers, the buyback price (excluding transaction costs) paid to the shareholders may neither exceed the mathematical mean of the share price by more than 10% nor be lower by 20% than the mathematical mean of the share price (closing auction prices of the Company's stock in XETRA trading or a corresponding successor system) on the Frankfurt Stock Exchange on the last ten trading days prior to publication of the offer or, if the buyback is effected by other means, prior to such buyback.

The offer may be adjusted if there are considerable fluctuations in the share price relative to the buyback price offered or in the thresholds of the buyback price range after publication of the public buyback offer. In this case, the material amount shall be derived from the respective share price on the last trading day prior to publication of the adjustment; the 10% and 20% limit regarding the amount by which the price may be higher or lower shall be applied to aforesaid amount.

The volume of the buyback offer may be limited. If the shares offered by the shareholders for buyback exceed the total amount of the Company's buyback offer, the buyback may be effected at the ratio of the total buyback offer to the shares offered in toto by the shareholders. Furthermore, the buyback program may provide for preferred acceptance of small lots of up to 50 shares per shareholder. It may also provide for rounding according to commercial principles to avoid fractional shares. A more extensive right to tender on the part of shareholders shall be excluded insofar. The buyback offer may impose additional conditions.

- c) The authorization may be exercised for any legal purpose, in particular, for the purpose of achieving one or more of the goals set forth in letters d) through i) below.
- d) The Management Board is authorized to retire the treasury shares bought back in accordance with Section 71 (1) no. 8 AktG with the approval of the Supervisory Board and without there being a need to obtain a resolution by the Annual General Meeting. The retirement may be limited to a portion of the shares bought back. The authorization to retire the shares may be exercised once or repeatedly. Retiring shares always leads to a capital reduction. Notwithstanding the foregoing, the Management Board may determine that the share capital shall not be changed and, instead, that retiring the shares increases the pro rata interest of the remaining shares in the share capital pursuant to Section 8 (3) AktG. In this case, the Management Board shall be authorized to adjust the number of shares specified in the Articles of Incorporation.
- e) The Management Board is authorized to sell shares of the Company that were bought back under the aforementioned buyback authorization on the stock market.
- f) The Management Board is authorized to offer shares of the Company that were bought back under the aforementioned buyback authorization to the shareholders based on a subscription offer to all shareholders that complies with both their subscription right and the equality principle (Section 53a AktG).
- g) Subject to the Supervisory Board's approval, the Management Board is authorized to sell the treasury shares bought back under the aforementioned buyback authorization by any means other than on the stock market or via a public buyback offer to all shareholders if they are to be sold for cash at a price that is not substantially lower than the market price of the Company's shares of the same class at the time of disposal as defined in Section 186 (3) sentence 4 AktG. This authorization shall be limited to a pro rata interest in the share capital of no more than 10% of the share capital of the Company at the time the Annual General Meeting adopts this resolution or 10% of the share capital at the time the shares are sold, whichever is lower. The scope of this authorization shall be reduced to the pro rata interest in the share capital attributable to shares, or to the pro rata interest in the share capital to which options and/or conversion rights or obligations under bonds or profit-participation rights with conversion rights and/or options (or any combination of these instruments) - which have been issued or sold since the adoption of this

authorization subject to the exclusion of shareholders' subscription right in direct, corresponding, or analogous application of Section 186 (3) sentence 4 AktG - refer.

- h) Subject to the Supervisory Board's approval, the Management Board is authorized to offer and/or grant shares of the Company that were bought back under the aforementioned buyback authorization to third parties in connection with business combinations or the acquisition of entities, business units, or equity interests (including the acquisition of additional shares to increase equity interests); or the acquisition of other contributable assets such as real estate, real estate portfolios, and receivables from the Company.
- i) The Management Board is authorized to utilize shares of the Company that were bought back under the aforementioned buyback authorization to satisfy options and/or conversion rights or obligations under bonds with warrants and/or convertible bonds or profit-participation rights with conversion rights and/or options (or any combination of these instruments) that the Company issues directly or through a (direct or indirect) majority-owned entity.
- j) Shareholders' subscription right shall be barred to the extent that the Management Board uses shares of the Company in accordance with foregoing letters e), g), h), and i). The Management Board may also bar shareholders' subscription rights regarding fractional shares with the Supervisory Board's approval if shares of OCM German Real Estate Holding AG ("Prime Office AG" once it has been renamed) are sold in connection with a sale offer to the Company's shareholders pursuant to letter f).
- k) The foregoing authorizations may be exercised once or repeatedly, individually or jointly, in whole or solely with respect to a portion of the shares bought back.

Agenda Item [■]: Authorization to Issue Convertible Bonds and/or Bonds with Warrants and/or Profit-Participation Rights with Options or Conversion Rights; Approval of Contingent Capital and Corresponding Amendment of the Articles of Incorporation

a) Authorization to Issue Convertible Bonds and/or Bonds with Warrants and/or Profit-Participation Rights with Options or Conversion Rights (or any Combination of these Instruments)

(1) Par Value, Authorization Period, Number of Shares

Subject to the Supervisory Board's approval, the Management Board is authorized to issue, until [22 September] 2018, bearer or registered convertible bonds and/or bonds with warrants and/or profit-participation rights with options and/or conversion rights (or any combination of these instruments) with a par value of up to EUR 500,000,000.00, with or without maturity caps, once or repeatedly (hereinafter jointly referred to as the "Bonds") and to grant to the creditors of the Bonds options and/or conversion rights to the Company's shares with a pro rata interest in the share capital of up to EUR 25,000,000.00 in accordance with the conditions of the respective options, and/or Bonds, and/or profit-participation rights (hereinafter jointly referred to as the "Conditions"). The respective Conditions may also provide for mandatory conversion at maturity or any other time, including the obligation to exercise the conversion right or option. The Bonds shall be issued in return for cash.

Besides in EUR, the Bonds may also be issued in the currency of an OECD country in an amount equivalent to the corresponding value in EUR. The Bonds may also be issued by the Company's affiliates or by entities in which the Company holds a controlling interest. In this case, the Management Board is authorized to assume the guarantee for the Bonds on the Company's behalf and to grant to the creditors of such Bonds options and/or conversion rights to the Company's stock. The Bonds may be divided into smaller bonds ranking equally amongst each other at the time they are issued.

(2) Grant and Exclusion of Subscription Right

Shareholders shall generally be granted a subscription right to the Bonds. The Bonds may also be taken over by one or more banks subject to the obligation to offer them to the shareholders indirectly as defined in Section 186 (5) AktG for subscription ("indirect subscription right"). The Management Board is authorized, however, to bar shareholders' subscription right to the Bonds with the Supervisory Board's approval,

- i. in order to exclude fractional amounts from the subscription right;
- ii. to the extent necessary for granting a subscription right to holders or creditors of conversion rights and/or options, or to creditors of bonds and/or profit-participation rights with conversion/option obligations, which have been, or will be, issued by the Company or a wholly-owned direct or indirect affiliate in the scope to which the holders or creditors would be entitled as shareholders after exercising the options or conversion rights or after fulfilling conversion/option obligations; and

- iii. if the issue price does not fall substantially below the theoretical value of the partial bonds that is determined in accordance with recognized procedures in financial mathematics as defined in Section 221 (4) sentence 2 and Section 186 (3) sentence 4 AktG. However, this authorization to bar shareholders' subscription right shall apply solely to Bonds with rights to shares that account for a pro rata interest in the share capital of no more than 10% overall, specifically, neither at the time this authorization takes effect nor at the time it is exercised. The disposal of treasury shares shall be counted toward this limit if such disposal takes place in accordance with Section 71 (1) no. 8 sentence 5 sub-clause 2 and Section 186 (3) sentence 4 AktG while this authorization is in effect subject to the exclusion of shareholders' subscription right. The shares that are issued from authorized capital while this authorization is in effect, subject to the exclusion of shareholders' subscription right, in accordance with Section 203 (2) sentence 2 and Section 186 (3) sentence 4 AktG or under other authorizations to issue shares in the Company subject to the exclusion of shareholders' subscription right in direct or analogous application of Section 186 (3) sentence 4 AktG shall also be counted toward the aforesaid limit.

The authorizations set forth in the preceding paragraphs with respect to the exclusion of shareholders' subscription right shall be limited overall to the issuing of Bonds with options and/or conversion rights to the Company's shares with a pro rata interest in the share capital of no more than 20%, specifically, neither at the time this authorization takes effect nor at the time it is utilized.

(3) Conversion Right, Conversion Obligation

If Bonds with conversion rights are issued, the creditors may exchange their bonds and/or profit-participation rights for shares in the Company in accordance with the respective conditions. The pro rata interest in the share capital of the shares to be issued in connection with the conversion may not exceed the par value of the convertible bond or the convertible profit-participation right, or an issue price that is less than the par value. The conversion ratio follows from the division of the par value or the issue price of a Bond that is less than the par value by the fixed conversion price for one share in the Company. It may be rounded. An additional cash payment may also be stipulated. In addition, consolidating fractional amounts and/or settling them in cash may be provided for. The respective conditions may also provide for a variable conversion ratio.

In the event of a conversion obligation, the Company may be authorized under the respective conditions to wholly or partly settle in cash, at the time of the mandatory conversion, any difference between the par value of the convertible bonds and/or the profit-participation right with conversion obligation and the product of the conversion ratio and a share price to be determined in greater detail in the respective conditions. The share price to be used in the calculation pursuant to the foregoing sentence shall be equivalent to at least 80% of the share price relevant to the floor of the conversion price pursuant to item (5).

(4) Option

If Bonds with warrants are issued, one or more warrants, which entitle the holder to subscribe to shares in the Company in accordance with the option conditions to be fixed by the Management Board, shall be attached to each individual Bond. The pro rata

interest in the share capital of the shares to be subscribed per bond with warrant may not exceed the par value of the bonds with warrants.

(5) Conversion/Option Price

The conversion or option price for one share must be equivalent to at least 80% of the average closing price of the stock of the Company in XETRA trading (or an appropriate successor system) on the ten trading days in Frankfurt/Main that precede the date the Management Board adopts the resolution regarding the issuance of the Bonds or equivalent to at least 80% of the average closing price of the stock of the Company in XETRA trading (or an appropriate successor system) on (i) the days during which the subscription rights are traded on the Frankfurt/Main Stock Exchange (excluding the last two subscription right trading days) or (ii) the days from the start of the subscription period until the final fixing of the subscription price.

In case of Bonds with a conversion/option obligation, the conversion/option price may correspond to at least the minimum price specified above or the average closing price of the stock of the Company in XETRA trading (or an appropriate successor system) before or after the date on which the Bonds mature, even if the average price is less than the aforementioned minimum price (80%).

Notwithstanding Section 9 (1) AktG, the conditions of the Bonds may provide for antidilution provisions in the event that the Company increases its share capital during the conversion or option period subject to shareholders' subscription right or issues additional convertible bonds, convertible options, and/or profit-participation rights with conversion rights or options, or grants or guarantees other options, and does not grant a subscription right to the holders of conversion rights or options in the scope to which they would be entitled once they exercised the conversion rights or options or fulfilled the conversion/option obligation. The Conditions may also provide for an adjustment of the conversion or option price that preserves its value if the Company takes other actions that might dilute the value of the options and/or conversion rights. In any case, the pro rata interest in the share capital of the shares to be subscribed per Bond may not exceed its par value.

(6) Other Arrangement Options

The respective conditions may stipulate in each case that treasury shares, shares from the Company's authorized capital, or other benefits may be granted when a conversion right or option is exercised. They may also permit the Company to pay to the holder of the conversion right or option the corresponding value in cash in lieu of issuing shares. In addition, the conditions may stipulate that the number of shares to be subscribed upon exercise of the options or conversion rights, or upon fulfillment of the conversion/option obligations, or a corresponding conversion right, is variable and/or that the option or conversion price may be modified during the Bond's term to maturity within a range to be fixed by the Management Board contingent on the performance of the Company's share price or in accordance with antidilution provisions.

(7) Authorization to Determine Additional Conditions

The Management Board is authorized to fix all other details related to the issuing and structure of the Bonds, in particular, the interest rate, issue price, term, denomination,

conversion, or option price, and the conversion or option period, or to establish them in coordination with the corporate bodies of the groups issuing the bonds.

b) Contingent Capital Increase

The share capital has been contingently increased by up to EUR 25,000,000.00 by issuing up to 25,000,000 new no-par bearer shares entitled to dividends (“Contingent Capital 2013”). This contingent capital increase serves to grant shares issued in accordance with the foregoing authorization to the holders of Bonds.

The new shares shall be issued at the respective conversion or option price to be determined in accordance with the foregoing authorization. This contingent capital increase shall be carried out only insofar as conversion rights or options under Bonds issued are exercised, or conversion or option obligations under such Bonds are fulfilled, and to the extent that the conversion rights or options, or the conversion or option obligations, are not satisfied by means of treasury shares, shares issued from authorized capital, or other benefits.

The new shares shall participate in profits from the start of the fiscal year during which they are issued upon exercise of options and/or conversion rights or upon fulfillment of conversion or option obligations. Notwithstanding the foregoing, the Management Board may establish, if permitted in law, with the approval of the Supervisory Board, that the new shares shall participate in profits from the start of the fiscal year for which the Annual General Meeting has not yet adopted the profit appropriation resolution at the time the options and/or conversion rights are exercised or the conversion or option obligations are fulfilled. The Management Board is authorized to fix all other details of the contingent capital increase.

c) Amendment of the Articles of Incorporation

The following new Article 6 is added to the Articles of Incorporation:

§ 6

Contingent Capital

- (1) The share capital has been contingently increased by up to EUR 25,000,000.00 by issuing up to 25,000,000 new no-par value bearer shares that are entitled to dividends from the start of the fiscal year during which they are issued (“Contingent Capital 2013”).
- (2) The Contingent Capital 2013 serves to grant shares to the holders or creditors of convertible bonds and bonds with warrants that are issued by the Company in accordance with the authorization granted by the Annual General Meeting between [23 September] 2013 and midnight on [22 September] 2018. It shall be carried out only insofar as conversion rights and options under such convertible bonds and bonds with warrants are exercised, or conversion or option obligations under such bonds are fulfilled, and to the extent that no treasury shares or new shares from authorized capital are used to satisfy the given rights or obligations.

- (3) The new shares shall participate in profits from the start of the fiscal year during which they are issued upon exercise of options and/or conversion rights, or upon fulfillment of conversion or option obligations. Notwithstanding the foregoing, the Management Board may establish, if permitted in law, with the approval of the Supervisory Board, that the new shares shall participate in profits from the start of the fiscal year in regards to which the Annual General Meeting has not yet adopted the profit appropriation resolution at the time the options and/or conversion rights are exercised or the conversion or option obligations are fulfilled.
- (4) The Management Board is authorized to fix all other details of the contingent capital increase and the issuing of options.

Appendix 1.12.1(vi)

**Articles of Incorporation
of
Prime Office AG**

The current end date (22 September 2018) must be adjusted accordingly if the Annual General Meeting of OCM does not resolve the authorizations pursuant to Article 5 (1) on 23 September 2013.

**I.
General Provisions**

**§ 1
Name of the Company, Domicile, Fiscal Year**

- (1) The Company's name is "Prime Office AG."
- (2) It is domiciled in Cologne.
- (3) The fiscal year shall be the calendar year.

**§ 2
Company's Purpose**

- (1) The Company's purpose is to engage in the real estate business and related transactions of whatsoever nature. In particular, this includes (for example) acquiring, holding, operating, renting, leasing, constructing, remodeling, managing, and selling real property and rights of use to real property; project development; as well as all manner of services pertaining to real property. The Company shall not be subject to any restrictions with respect to the selection of real property and the other modalities of running its real estate business, including the length of time it holds properties and the structure of its funding.
- (2) The Company may engage in all transactions suitable for serving its corporate purpose, directly or indirectly. It may establish branches at home and abroad under the same or a different name, found companies, acquire equity interests in companies, and sell companies.
- (3) The Company may combine entities in which it has an interest under a single management structure and/or limit itself to the management of such investment(s). It may enter into corporate

contracts of whatsoever nature and spin off its operations, in whole or in part, to entities in which it holds a controlling interest or have such entities take over the given operations.

- (4) The Company may also have entities in which it has an interest fulfill its corporate purpose, in whole or in part.

§ 3

Announcements and Transmission of Information

- (1) The Company's announcements shall be published in the Federal Gazette.
- (2) The Company is authorized to transmit information to its shareholders by means of electronic communication.

II.

Share Capital and Shares

§ 4

Amount and Division of the Share Capital

- (1) The Company's share capital is EUR 133,941,345.00.
- (2) It is divided into 133,941,345 no-par shares. The shares have been paid in full and are bearer shares.
- (3) The Management Board shall determine the form and content of the share certificates, as well as of the dividend and renewal coupons, with the approval of the Supervisory Board. The same shall apply to interim certificates, debt instruments, interest coupons, and warrants.
- (4) The shareholders shall not be entitled to individual share certificates and dividend coupons.
- (5) In the event of capital increases, dividend rights may be determined in deviation from Section 60 German Stock Corporation Act [*Aktiengesetz*] (AktG).

§ 5

Authorized Capital

- (1) The Management Board is authorized to increase the Company's share capital until [22 September] 2018 with the approval of the Supervisory Board, once or repeatedly, by a total of up to EUR 66,970,672.00 by issuing up to 66,970,672 new no-par bearer shares in return for contributions in cash or in kind ("Authorized Capital 2013").

- (2) Shareholders shall generally be granted a subscription right in this connection. This may also be accomplished by having a bank or an entity subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) German Banking Act [*Gesetz über das Kreditwesen* (KWG)] take over the new shares with the proviso that it offers them to the shareholders for subscription. The Management Board is authorized to bar shareholders' subscription right with the Supervisory Board's approval, once or repeatedly, in whole or in part, but with respect to no more than 26,788,269 new no-par bearer shares overall
- a) in order to preclude any fractional shares arising from the subscription ratio;
 - b) if the capital is increased in return for cash contributions; if the issue price of the new shares is not substantially lower than the market price of the Company's already quoted shares of the same class at the time the issue price is fixed; and if the aggregate pro rata interest attributable to the new shares (issued subject to the exclusion of shareholders' subscription right) in the share capital does not exceed 10% of the Company's share capital, neither at the time this authorization takes effect nor at the time it is exercised. The pro rata interest in the share capital attributable to shares that are disposed of while the Authorized Capital 2013 is in effect under an authorization to dispose of treasury shares in accordance with Section 71 (1) no. 8 sentence 5 and Section 186 (3) sentence 4 AktG, subject to the exclusion of shareholders' subscription right, shall be counted toward this 10% limit of the share capital. The pro rata interest in the share capital attributable to the shares that are issued under other authorizations to issue shares in the Company, subject to the exclusion of shareholders' subscription right, in direct or analogous application of Section 186 (3) sentence 4 AktG while the Authorized Capital 2013 is in effect shall also be counted toward the aforesaid limit. The pro rata interest in the share capital attributable to the shares that may or shall be issued for the purpose of satisfying bonds with conversion rights or options, or bonds with conversion or option obligations, shall also be counted toward the aforesaid limit if the bonds are issued, subject to the exclusion of shareholders' subscription right, in analogous application of Section 186 (3) sentence 4 AktG while the Authorized Capital [2013] is in effect;
 - c) in order to satisfy the Company's obligations under convertible bonds and bonds with warrants that the Company has issued; and
 - d) in the event of noncash capital increases that serve to issue shares for the purpose of acquiring (even indirectly) entities, business units, equity interests in entities, other assets related to acquisition deals, real estate, and real estate portfolios.
- (3) The Management Board is authorized to determine both the content of the rights embodied in the shares and the conditions of the given share issue with the approval of the Supervisory Board.

§ 6
[left empty]

[To be supplemented by a provision regarding contingent capital]

III.
Management Board

§ 7
Composition

- (1) The Management Board shall consist of at least two members. The Supervisory Board appoints the members of the Management Board and determines their number.
- (2) The Supervisory Board may appoint a chairperson and a vice chairperson of the Management Board.
- (3) The Management Board determines its rules of procedure by means of a unanimous resolution of its members with the Supervisory Board's approval unless the latter issues the rules of procedure for the Management Board.

§ 8
Management and Representation

- (1) The members of the Management Board shall manage the Company's business on its own responsibility subject to compliance with applicable laws, these Articles of Incorporation, and the Management Board's rules of procedure.
- (2) The Supervisory Board shall determine, either in the rules of procedure for the Management Board or by means of a resolution, that certain types of transactions require its approval.
- (3) The Company shall be represented by two members of the Management Board or one member of the Management Board jointly with an authorized representative (*Prokurist*). The Supervisory Board may determine that all or some members of the Management Board are authorized to represent the Company alone.
- (4) It may exempt individual or all Management Board members, as well as authorized representatives (*Prokuristen*) who may represent the Company jointly with a Management Board member, from the restrictions of Section 181, second alternative, German Civil Code [*Bürgerliches Gesetzbuch (BGB)*].

IV.
Supervisory Board

§ 9
Composition, Term of Office

- (1) The Supervisory Board shall consist of six members elected by the Annual General Meeting.
- (2) Unless the Annual General Meeting resolves a shorter term, they shall be elected for a term ending, at the latest, with the conclusion of the Annual General Meeting at which the actions of the Supervisory Board members and the substitute members during the fourth fiscal year following the commencement of their term of office are formally approved. The fiscal year in which their term of office begins shall not be included in this calculation. A successor of a Supervisory Board member, who stepped down prior to the end of their term of office, shall be elected for the remainder of the departed member's term unless the Annual General Meeting determines otherwise.
- (3) A substitute member may be elected at the same time as the given Supervisory Board member. He or she shall succeed the respective member of the Supervisory Board if the latter steps down before their term of office expires and no successor has been appointed. The term of office of the substitute member, who has succeeded the respective Supervisory Board member, shall expire as soon as a successor to the departed Supervisory Board member has been appointed but no later than upon expiration of the departed member's term of office.
- (4) Every full or substitute member of the Supervisory Board may step down at any time with four weeks' notice, even absent cause, by issuing a statement in text form to the Company, represented by the Management Board.

§ 10
Chairperson and Vice Chairperson of the Supervisory Board

- (1) The Supervisory Board shall elect a chairperson and a vice chairperson from among its members. The terms of office of both the chairperson and the vice chairperson shall correspond to their terms as members of the Supervisory Board unless shorter terms have been determined at the time they were elected. The election shall be conducted at a meeting that is convened without special notice right after the Annual General Meeting at which the Supervisory Board members to be elected by the Annual General Meeting were nominated.
- (2) Unless otherwise prescribed by law or these Articles of Incorporation, the rights and duties of the Supervisory Board chairperson shall be fulfilled by the vice chairperson if the former is unavailable.

- (3) If the chairperson or vice chairperson of the Supervisory Board steps down early, the Supervisory Board shall immediately hold new elections for the departed member's remaining term of office.
- (4) Declarations of intent by the Supervisory Board and its committees shall be made in the name of its chairperson. Solely the chairperson shall be authorized to accept statements on behalf of the Supervisory Board. Section 78 (2) sentence 2, second alternative AktG, in conjunction with Section 78 (1) sentence 2 AktG, shall not be affected thereby.

§ 11

Responsibilities of the Supervisory Board

- (1) The Supervisory Board has all rights and duties that are assigned to it by law and these Articles of Incorporation.
- (2) The Supervisory Board may issue rules of procedure for itself subject to both mandatory statutory requirements and the provisions of these Articles of Incorporation.
- (3) The Supervisory Board may constitute committees from among its members and determine their rights and responsibilities, as well as appoint both a chairperson and a vice chairperson for each committee. Decision-making authority may be transferred to the committees as permitted in law. § 12 and § 13 shall apply to their procedures *mutatis mutandis*, with the proviso that a committee constitutes a quorum only if three members, at a minimum, participate in the given resolution. This shall also apply to the casting vote to which the respective chairperson is entitled under § 13 (5)(5) sentence 5 of these Articles of Incorporation.
- (4) The Supervisory Board is authorized to adopt amendments of these Articles of Incorporation that solely affect its wording. This also includes amendments regarding the scope of a capital increase under authorized or contingent capital, if any.

§ 12

Convening Supervisory Board Meetings

- (1) The meetings of the Supervisory Board shall be convened by its chairperson in text form subject to 14 days' notice. The day on which the notice is sent and the day on which the meeting takes place shall not be counted toward the notice period. In urgent cases, the chairperson may reasonably shorten this deadline and also convene the meeting orally or by telephone.
- (2) The agenda shall be announced and proposed resolutions shall be transmitted along with the notice of meeting. The documents relevant to the meeting, as well as any supplements to or modifications of the agenda or the proposed resolutions, shall be made available by the seventh day ahead of the meeting unless there is an emergency.

- (3) The chairperson of the Supervisory Board may cancel or postpone a meeting that has been convened subject to due discretion.

§ 13 Resolutions

- (1) The Supervisory Board shall generally adopt its resolutions at meetings. By order of the Supervisory Board chairperson, outside of meetings resolutions may also be adopted in writing, by telephone, by fax, by email, or by any other means of telecommunication. The chairperson may also determine that resolutions may be adopted in part during and in part outside of a meeting. This shall include votes cast after the fact by absent Supervisory Board members within a reasonable deadline fixed by the chairperson of the Supervisory Board, as well as votes cast by telephone, fax, email, or comparable means of communication during a meeting. Resolutions adopted in accordance with sentence 2 above shall be approved by the chairperson, in writing, and furnished to all members of the Supervisory Board. The provisions of paras (2), (3) sentences 1 through 3, (5), and (6) shall apply *mutatis mutandis* to any voting outside of meetings.
- (2) The chairperson of the Supervisory Board shall chair its meetings. He or she shall determine the sequence in which the agenda items are discussed, as well as the type and sequence of the votes.
- (3) The Supervisory Board constitutes a quorum if one half of the members that must comprise the Supervisory Board by statute participate in the given resolution. A Supervisory Board member is deemed to have participated in the given resolution even if they abstain. If the requirements under § 12 ((2) are not satisfied, a resolution may be adopted only if no Supervisory Board member present objects. In such cases, absent Supervisory Board members shall be given the opportunity to object to the resolution or cast their vote in writing within a reasonable deadline to be fixed by the chairperson. The given resolution shall take effect if the absent Supervisory Board members object to it by the given deadline or approve it.
- (4) Absent Supervisory Board members may participate in the Supervisory Board's voting by having their written votes submitted by other members of the Supervisory Board. This shall also apply to the casting vote to which the chairperson is entitled under § 13 (5)(5) sentence 5 of these Articles of Incorporation.
- (5) Resolutions of the Supervisory Board and its committees shall be adopted by the simple majority of all votes cast unless otherwise provided by law. This shall also apply to elections. Abstentions shall not be deemed votes cast in this connection. Unless the Supervisory Board adopts another procedure, in case of a tie the chairperson of the Supervisory Board shall decide whether a new vote shall be taken on the item in question and whether such new vote shall be taken during the given or another meeting of the Supervisory Board. The chairperson of the Supervisory Board shall break the tie if the new vote on the same item is tied yet again.

- (6) The deliberations and resolutions of the Supervisory Board shall be recorded in minutes, which shall be signed by the person chairing the meeting or, in case of votes taken outside of meetings, by the person in charge of the voting, and sent to the members of the Supervisory Board.

§ 14 Remuneration

- (1) Each member of the Supervisory Board shall be paid fixed remuneration of EUR 20,000.00 for each full fiscal year of service on the Supervisory Board. The remuneration paid to the chairperson and the vice chairperson of the Supervisory Board, respectively, shall be twice and one and one half times that paid to a simple member of the Supervisory Board. If the earnings target, funds from operations (FFO), as reported in the Company's audited consolidated financial statements or (if consolidated financial statements need not be prepared) in the Company's audited financial statements pursuant to Section 325 (2a) German Commercial Code [*Handelsgesetzbuch* (HGB)], reaches EUR 75,000,000.00 in a given fiscal year, the respective remuneration shall be doubled from the start of the following fiscal year. A Supervisory Board member, who has been in office for only a part of a fiscal year, shall be remunerated on a pro rata basis.
- (2) The members of the Supervisory Board shall also be reimbursed for all appropriate outlays based on receipts and reimbursed for the value-added tax payable on both their remuneration and their outlays, to the extent that the given Supervisory Board members are entitled to break out value-added tax and exercise this right.
- (3) The Company shall purchase D&O insurance in favor of the members of the Supervisory Board to insure them against liability risks arising from their activity on the Supervisory Board.

V. Annual General Meeting

§ 15 Place of and Convening the Annual General Meeting

- (1) The Annual General Meeting shall be held within the first eight months of the given fiscal year at the Company's domicile or in any other city in the Federal Republic of Germany that has a population of at least 500,000.
- (2) The Annual General Meeting shall be convened by the Management Board or, in the cases prescribed by law, by the Supervisory Board.
- (3) The notice of meeting shall be published once in the Federal Gazette at least thirty days ahead of the date by which the shareholders must register in accordance with § 16 ((1) below, subject to

notification of the agenda. The date on which the meeting is convened and the day by the end of which the registrations must have been received shall not be counted.

- (4) This shall not affect additional statutory duties that apply to the convening of an Annual General Meeting, in particular, those under Section 30a (1) no. 5 and Section 30b (1) no. 1 German Securities Trading Act [*Wertpapierhandelsgesetz* (WpHG)].

§ 16

Requirements for Participation

- (1) Shareholders who wish to participate in the Annual General Meeting and exercise their voting right must register for it in text form and evidence their shareholdings. The Company must receive both the registration and the evidence of shareholdings at the address specified in the notice of meeting for this purpose no later than by the seventh day ahead of the Annual General Meeting (“registration date”).
- (2) Specific evidence of shareholdings in text form that has been prepared by the custodian bank shall be sufficient to evidence the right to participate pursuant to para (1). Evidence of shares not being held in collective custody may also be confirmed by the Company or a credit institution once the shares are submitted to them. The evidence of shareholdings must refer to the date required under the German Stock Corporation Act for this purpose. The Company has the right to require suitable additional evidence if it doubts the accuracy or authenticity of the evidence provided. If the additional evidence is equally doubtful, the Company may reject the given shareholder’s right to participate in the Annual General Meeting and exercise their voting right.
- (3) Both the registration and the evidence of shareholdings must be furnished in German or English.
- (4) The Management Board may provide for shareholders to exercise their voting rights in writing or using electronic communications (vote by post) when they are not physically present at the Annual General Meeting.

§ 17

Participation of the Members of the Company’s Corporate Bodies

The members of the Management Board and the Supervisory Board shall participate in the Annual General Meeting. The members of the Supervisory Board may do so via audiovisual link-ups if they are unable to attend in person for business reasons or on other important grounds. The chairperson of the Supervisory Board shall decide on the type of audiovisual broadcast.

§ 18

Chairing the Annual General Meeting

- (1) The Annual General Meeting shall be chaired by the chairperson of the Supervisory Board, or by its vice chairperson or another Supervisory Board member determined by resolution if the chairperson is unavailable. The chairperson shall be elected by the Annual General Meeting if the person responsible under sentence 1 above does not serve as such.
- (2) Subject to statutory requirements, the chairperson shall determine the procedures of the Annual General Meeting, especially the type, form, and sequence of the voting, as well as other organizational matters; the chairperson may also determine that the agenda items be treated in a sequence other than that set forth in the agenda.
- (3) The chairperson may impose reasonable limits on the time allotted to shareholders' right to ask questions and speak. In particular, the chairperson may reasonably determine, at the start of or during the Annual General Meeting, the time allotted to the entire Annual General Meeting, to the discussion of individual Agenda items, as well as to each individual's questions and statements.
- (4) To the extent permitted in law, the chairperson may permit partial or total transmission and recording of the Annual General Meeting, participation in the Annual General Meeting, and participation in its voting procedures by means of electronic media. The type of broadcast shall be announced in the notice of meeting. The Management Board shall fix all further details with the Supervisory Board's approval; the chairperson shall be responsible for such tasks during the Annual General Meeting.

§ 19

Voting Right

- (1) Each share grants the right to one vote at the Annual General Meeting.
- (2) Each shareholder may appoint a proxy. The proxy shall be granted or revoked, as well as evidenced to the Company, in text form. The notice of meeting may contain a provision easing the text form requirement. The Company shall offer at least one means of electronic communication for transmitting the evidence of proxy. Section 135 AktG shall not be affected thereby.

§ 20

Resolutions

- (1) Unless otherwise prescribed by mandatory statutory requirements, the resolutions of the Annual General Meeting shall be adopted by the simple majority of all votes cast. If the German Stock

Corporation Act also requires that resolutions be adopted by the majority of the capital represented, a simple majority of the share capital represented shall suffice to the extent permitted in law.

- (2) With the exception of elections, a motion shall be deemed to have been rejected if the vote is tied.
- (3) The simple majority of all votes cast shall decide elections; a lot shall be cast in the event of a tie.

VI.

Annual Financial Statements, Compensation

§ 21

Annual Financial Statements, Annual General Meeting, Appropriation of Profits

- (1) During the first three months of every fiscal year, the Management Board shall prepare both the annual financial statements and the management report for the fiscal year elapsed, as well as, to the extent necessary under statutory requirements, the consolidated financial statements and the group management report, otherwise the annual financial statements pursuant to Section 325 (2a) HGB, and submit them immediately to both the auditor and the Supervisory Board, subject to inclusion of the proposal for allocating the unappropriated surplus.
- (2) Once it receives the Supervisory Board's report on the outcome of its review, the Management Board shall immediately convene the Annual General Meeting that must be held within the first eight months of every fiscal year. The Annual General Meeting formally approves the actions of the members of the Management Board and the Supervisory Board, and resolves the allocation of the unappropriated surplus. As part of appropriating the surplus, the Annual General Meeting may also resolve a noncash distribution in lieu of or in addition to a cash distribution.
- (3) If the Management Board and the Supervisory Board adopt the annual financial statements, they may appropriate profits to other retained earnings in accordance with Section 58 (2) AktG.
- (4) The Management Board is authorized under Section 59 (1) AktG to pay an advance on the probable net earnings for the year to the shareholders after the close of the fiscal year.

Appendix 3.3

List of the Interest Rate Hedges of Prime Office to be Restructured

No.	Property	Bank	Nominal Amount (in EUR)	Maturity
1.	Nuremberg, Sigmund Schuckert Haus	Landesbank Hessen-Thüringen	8.5 million	30 December 2019
2.	Stuttgart, emporia	Landesbank Hessen-Thüringen	30.3 million	30 December 2019
3.	Düsseldorf, Xcite	Landesbank Hessen-Thüringen	67.5 million	30 December 2019