

About PAINTITGREEN

A registered joint stock company with a capital of € 99'750

Office: 110 rue Charles Nungesser
29490 Guipavas

802 165 704 RCS Brest

Trade name: EcoTree

ECOTREE

NOTICE OF INFORMATION

November 19th, 2019



Part I. General characteristics of the operation

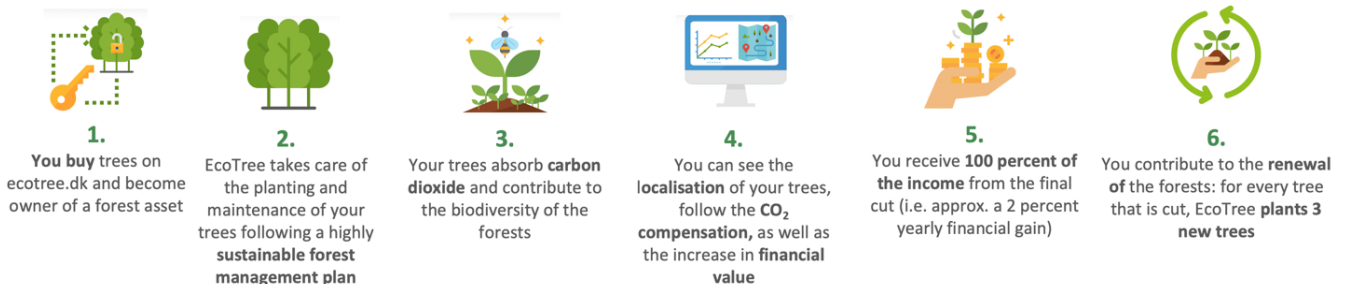
1. Name of the Offer

The Paintitgreen company (hereinafter "EcoTree") is a joint stock company whose purpose is the creation of innovative concepts focused on sustainable development, particularly in forest plantations.

EcoTree's starting point is based on the observation that today, the French timber industry is experiencing a deficit even as the forest area in France is the third largest within the European Union and timber demand continues to grow. To eliminate this deficit by 2025, France will have to renew 500,000 hectares of forest, equivalent to just 3% of the current total area. Otherwise, France will be forced to import its wood commodity¹. French wood experts believe that French forests are threatened and believe that the timber industry may eventually experience a shortage.

Recognizing the urgency of the French timber industry, EcoTree wants to raise the awareness and interest of the greatest number of citizens about forest issues by enabling them to become full-fledged players in the development of private forests through a forest "unit" approach.

EcoTree's offer enables its customers to participate in financing sustainable forest management handled by professionals and in contributing to the development of a forest, while getting a possible return on their investment when the purchased trees reach maturity. Before any investment decision, the customer must understand that he or she will not receive any return until the term of his or her investment.



At the date of this briefing note, EcoTree proposes four commercial offers:

- 1) The "Tree Market" Offer, whereby EcoTree offers customers to purchase a tree for their own investment;
- 2) The "Gift Tree" Offer, by which EcoTree enables its customers to offer a gift tree to any third party;
- 3) The "Subscription Tree," which allows customers to subscribe to a monthly commitment to EcoTree, terminable at any time under the terms and conditions set out in Article 8 of the general conditions of sale, in order to acquire a determined number of trees whose essence and maturity will be chosen by EcoTree.
- 4) EcoTree proposes acquisition of trees which will be planted during the planting season following the date of acquisition. The selection is made from trees and forests offered on the EcoTree company website.

¹<http://www.lefigaro.fr/conjoncture/2016/10/28/20002-20161028ARTFIG00002-le-renouvellement-de-la-foret-francaise-en-sursis.php>

For each of these deals, the customer has the choice of the tree size at the time of purchase. Thus, he or she can acquire a tree younger than 10 years (a seedling), between 10-30 years old (a semi-mature tree) or between 30-70 years old (a mature tree). In addition, there is a wide range of tree species planted in diverse geographic areas (especially in the Sarthe and Brittany).

EcoTree's long-term management policy is to expand its Offer to areas other than those currently proposed. This expansion will be gradual, at first concerning the entire French territory, and secondly, other European countries.

2. Warning

"This document was filed with the AMF pursuant to article L. 550-3 of the Monetary and Financial Code and was registered under number D-18-01.

This statement embodies the finding that the registration number of this Information was granted after the AMF verified that it is complete and comprehensible and that the information it contains is consistent. It does not imply authentication by the AMF of the accounting and financial elements presented and is neither a guarantee of quality nor of completion of the operation."

3. Advantages and disadvantages of the EcoTree Offer

The main advantages of the EcoTree Offer are:

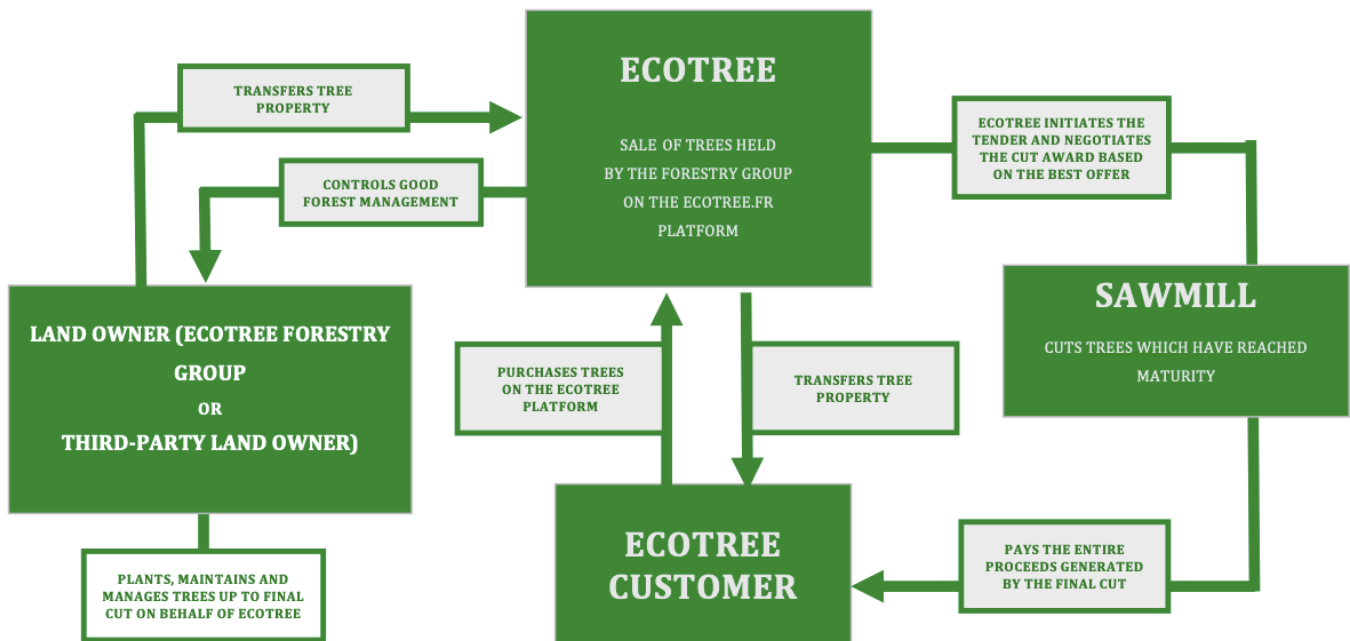
- The EcoTree Offer is for people sensitive to the environment and sustainable development and allows these people to communicate about their environmentally responsible actions;
- Species selection, tree planting, maintenance and tree cutting are carried out by forestry professionals;
- The cut trees are approved by a forestry expert independent from EcoTree, ensuring the proper management of forests by EcoTree in the interest of its customers.

The main disadvantages are:

- the financial performance of the EcoTree Offer is not guaranteed, and the EcoTree customer can thus lose the entire capital he or she has invested;
- the term of the investment depends on the life of the tree and, depending on the species, can be long-term or very long-term (up to 70 years in some cases);
- the trees are not guaranteed or insured against the occurrence of natural disasters (storms, hail, etc.) or malicious acts (fire, etc.).

4. Flow of Operation

a) Overall operational diagram for an EcoTree customer



b) Chronology of the operation

Step 1: Purchase of trees by the customer and management mandate to EcoTree.

The customer selects the tree or trees he or she wishes to acquire on the EcoTree website, accepts the conditions of sale and the purchase price by paying online through Crédit mutuel Arkéa.

Under Article 10 of the general conditions of sale, the customer:

- acquires ownership of one or several trees (movable property in advance according to settled case law of the Court of Cassation under section 521 of the Civil Code²); and
- mandates EcoTree to manage the trees which he or she has acquired.

² Accordingly: Cass. Com, November 24, 1981 No. 80-13394. Cass. Com., December 21, 1971, No. 70-12033.

EcoTree draws the customer's attention to the fact that, according to the concerned forests, either EcoTree's forest group or a third-party landowner retains ownership of the land (hereinafter referred to as "Land Owner"). By buying a tree, the customer participates to the financing of the purchase of land by the Land Owner (see Part III costs).

EcoTree also draws the customer's attention to the fact that the ownership of the tree or trees he or she has acquired is called a surface property ("Droit de superficie" in French law). As such, the sale of trees serves as ownership of the forest height, meaning the Land Owner retains ownership of the ground (bottom), and the customer becomes the owner of the trees (above).

EcoTree further draws the customer's attention to the specific powers granted to tree-owner customers in the same forest. Every customer is both the owner of a tree and a fraction of the area that includes all the trees on the same forest stand. As such, each customer benefits from a share of the proceeds from the logging of mature trees in the concerned forest stand. Each customer correspondingly accepts not to benefit directly from the product of his or her own tree (upon thinning or at maturity).

The purchase price paid by the customer includes EcoTree's structural and maintenance costs during the first four years, the cost of planting the tree, and the management fees (notaries, tax, land, etc.). From the fifth year until the final cut of mature trees, maintenance costs are funded by the intermediate thinning cuts, whose proceeds returns to EcoTree. Note that the tree acquired by the customer may disappear during these intermediate cuts.

Under the mandate provided by the EcoTree customer, simultaneously upon acquisition of the tree, the customer confides his or her tree to EcoTree for its entire life. As part of this mandate, the customer delegates to EcoTree the right to cut its tree (upon thinning or at maturity) and expressly disclaims opposition to any cut made by EcoTree or to request to cut trees.

It is specified that in the event of forests including those that the EcoTree forest group does not own, EcoTree will have previously acquired all concerned trees from the related landowner, with the said acquisition being subject to land registration services. These trees acquired by EcoTree are then sold to EcoTree's customers.

Step 2: Lifespan of the purchased trees

Upon acquisition of the trees, the customer mandates EcoTree to manage the acquired trees. The purpose of this mandate is to enable EcoTree to implement a management strategy maximizing the value of the forest stands. This mandate includes the expertise and maintenance of the forests, such as the processing of mushrooms, clearing, pruning, thinning, etc. In addition, EcoTree reserves the right to call on regular partners, notably, forestry experts and local forestry companies.

It is stated that in the context of this mandate, the customer delegates to EcoTree the right to cut the acquired trees (upon thinning or at maturity) and expressly disclaims opposition to any cut made by EcoTree or to request to cut trees.

Through his or her personal account on the EcoTree website, the customer has direct access to information about his or her purchased trees, to its geolocation through aerial maps as well as to a CO2 absorption meter.

As part of the management of the forest stands, EcoTree is obliged to make so-called "thinning" intermediate cuts in the forest during the life cycle of the tree, that is to say cutting trees in a forest before they reach maturity. By accepting the terms of sale, the customer is informed and consents to the possible disappearance of his or her tree because of these intermediate cuts.

EcoTree draws the customer's attention to the fact that he or she does not benefit from the proceeds of intermediate cut(s), this proceed being paid in full to EcoTree for the purpose of financing the maintenance of the forest stands until the final logging of mature trees in those forests.

On the other hand, even in the event of the disappearance of its tree for any reason, the right of ownership refers, by real subrogation, to a share of the product of the final cut of mature trees on a forest stand as indicated below.

Finally, it is specified that EcoTree undertakes, from the sale of trees up to the final cut and overall sales of mature trees in a forest, not to (i) favor a third party's right of any nature whatsoever (real right over the another one's property) on the forest stand which its forestry group owns and on which the sold trees are located, and to not (ii) transfer the ownership of this forest (the land) to a third party.

Step 3: Final Cut of mature trees in a forest stand

Mature trees in a forest are cut and sold at the best price at a sawmill selected following a tender launched by EcoTree with a minimum of two sawmills.

The resale price of the final cut of mature trees of a forest will be directly paid by the sawmill to each customer according to the formula set in II)3)d). When logging trees, the sawmill will include its charge for the resale price of the wood.

5. Legal regime of intermediation in miscellaneous goods and legislative articles which govern it

EcoTree meets the criteria for exercising as intermediary in miscellaneous goods within the meaning of Article L. 550-1 I of the French Monetary and Financial Code.

6. Risk factors related to the transaction

By choosing to purchase a tree from EcoTree, the customer is exposed to the following main risks:

- **Risk of total capital loss**

The value of a tree can be impaired, leading to a risk of total loss of the invested capital.

- **Inflation Risk**

Before an investment decision, the customer should also consider that the value of currency can fluctuate over time and that, consequently, there is a risk of currency depreciation which could result in a rate of return lower than the inflation rate.

- **Risk of lack of liquidity**

EcoTree's Offer is a long-term investment, depending on the maturity of each tree in each forest stand. Thus, EcoTree does not intend to ensure the liquidity of the forest resources of its customers before the end of the life cycle of the tree. The customer has no right to recovery or repurchase of his or her tree by EcoTree.

However, EcoTree is permitted, in its sole discretion, to acquire trees that would be offered for sale by the customer, with the understanding that this is a simple right of repurchase at the discretion of EcoTree and never an obligation of EcoTree toward the customer. EcoTree can therefore refuse to buy trees that are the subject of a sales request from a customer.

In addition, each customer can decide at any time to sell the tree to a third-party purchaser of his or her choice. In this case, the customer must notify EcoTree of the beneficiary designated in the sale so that EcoTree can change the tree owner and continue to manage and maintain the tree to the benefit of the new owner.

- **Underlying market risk(s) and the loss of value of timber prices**

One of the objectives of the proposed investment by EcoTree is the realization of a capital gain in the final cut of mature trees in a forest stand. However, the customer's attention is drawn to the fact that the resale price of the final cut of mature trees in a forest is subject to particular hazards related to market fluctuations and particularly to the possibility of the occurrence of a decrease in wood prices or even to the possibility that the price of wood is 0 or that the property originally acquired may not meet future demand.

- **Risk of fire, storms and other natural risks - Lack of insurance covering such risks**

Forests are subject to a number of natural risks. Thus, by investing in a tree, the customer must consider the existence of natural hazards in his or her decision (storms, disease, fire, etc.) which are likely to damage or destroy trees. EcoTree draws the attention of its customers to the fact that no insurance against the risks of damage or destruction of trees or malicious acts is provided.

Before an investment decision, the customer must take into account the existence of fire, weather events (such as storms, strong winds, heavy rains, flooding, snow, ice, heat or cold), or any other natural hazard which can lead to loss of the capital in which the customer has invested.

- **Tax risks**

The customer must take taxes into account which may be applied to the potential capital gain realized in the sale of a stand of trees, a tree, or rights to cutting of a tree or trees. Therefore, EcoTree recommends customers to contact a tax advisor.

- **Risk of EcoTree's solvency**

Before an investment decision and because of the duration of the investment, the customer must take into account the risk of the company's solvency, which could lead to loss of the capital in which the customer has invested.

7. Profile of a typical customer

In general, the supply of EcoTree is particularly aimed at anyone:

- (i) sensitive to sustainable development and the preservation of the environment;
- (ii) capable of securing his or her savings for the very long-term (the life span of some trees offered for sale is up to 70 years);
- (iii) having a low risk aversion due to the risk of a total loss of his or her investment.

EcoTree attracts customer's attention to the fact that the proposed species may have a maturity of 10-70 years. Therefore, each customer must consider this lifespan and adapt his or her investment decision based on his or her own personal situation.

The EcoTree Offer is specifically intended for customers who have a low risk aversion, which is to say for customers who can withstand a loss of all or part of their investment.

The EcoTree Offer is for customers who do not need their savings in the short or medium term and that allocate a limited and reasonable proportion of their overall savings (between 10% and 20% maximum) to the EcoTree Offer.

EcoTree recommends that customers (i) consult their independent financial advisors on whether the EcoTree Offer suits their needs and investment horizons and (ii) to sufficiently diversify their investments so as not to expose themselves only to the risks of EcoTree's proposed investments.

At the time of the order and before payment, EcoTree draws attention to each customer through the following warning: *"The age of the forest may span several generations. Please note that your investment may outlive you. In this case, according to the general rules governing the succession, your investment will, unless otherwise specified, go to your successors and assigns."*

In addition, EcoTree requires each customer, according to the terms of sale, to designate a trusted third party which EcoTree will contact if it cannot reach the said customer or his or her investment survives him or her.

8. Investment Period - Deadline for withdrawal

An investment in a tree requires an investment horizon that is long term and even very long term (up to 70 years), and trees can be sold by private agreement by the customer with a third party under the general conditions of sale.

At the time of purchase, the customer will have the choice of the size/age of the tree that necessarily determines the duration of its investment. The final cut is realized only when trees reach maturity, and the placement period can range from 10-70 years depending on the purchased tree species.

The customer is informed that pursuant to Articles L. 121-20-12 and following the French Consumer Code, he or she has a right to cancel his or her order. He or she has 14 days to cancel the order without stating a reason. This period starts from the confirmation of the order and acceptance by the banking service.

Part II. Economic and financial characteristics of the operation

1. General economic characteristics of the sector

France has the fourth largest forest area among European Union countries, with over 16 million hectares. With 440,000 direct and indirect jobs, the forest industry has a rich diversity of expertise present on the territory, usually which cannot be relocated. From forest management and exploitation to the marketing of products from wood processing, the creation of social, environmental and economic value is constant.³

The forest industry is present in many existing markets: logging and forest mobilization (for a turnover of €2.6 billion in 2016), woodworking (sawing, carpentry and joinery, veneer, panels, flooring and paste for €13 billion in 2016), consumer goods (implementation of wood, construction, furniture, paper and cardboard for €42 billion in 2016) and wood energy (for €2.7 billion excluding firewood in 2016). In addition to these markets, the sector has the ability to meet new needs (renovation, new materials...), especially with all of the opportunities related to wood chemistry, and primarily by the substitution of fossil carbon.⁴

Forest wood is a real industrial asset to the country and is still largely underexploited even as increasing pressure from request for wood has caused timber prices to increase and global environmental analyses, biomass studies and the desire to develop the timber industry have reinforced the overall value of the forest. *"For the fourth consecutive year, the general price index of timber sales from private forests has continued its upward momentum. It grew by 3% compared to 2015,"*⁵ said Philippe Gourmain, President of Forest Experts of France. This performance demonstrates the interest of investing in the forest asset class as soon as proper forestry management, in line with the needs of the wood processing sector, is implemented.

In a public report dating back to April 8, 2015, the French Court of Auditors regretted the extreme fragmentation of forest properties that cannot be structurally profitable and recommended consolidation of these properties. EcoTree thus intends to favor investment and forest management with a "unit" approach of France's forests. Undoubtedly, good management of France's forests is an incredible economic growth promoter for the entire wood industry. EcoTree adds a particularly significant social dimension in that it makes every citizen a full participant of the development of the French forests.

³ *Forêt et Bois, une filière d'avenir pour la France*, France Bois Forêt, France Bois Industries Entreprises, FBR, 2014
http://fbie.org/wp-content/uploads/2014/06/Plaquette_Forêt-Bois-UNE-FILIÈRE-DAVENIR-POUR-LA-FRANCE.pdf

⁴ *Forêt et Bois, une filière d'avenir pour la France*, France Bois Forêt, France Bois Industries Entreprises, FBR, 2014
http://fbie.org/wp-content/uploads/2014/06/Plaquette_Forêt-Bois-UNE-FILIÈRE-DAVENIR-POUR-LA-FRANCE.pdf

⁵ <http://www.architecturebois.fr/forets-privees-le-prix-de-vente-des-bois-sur-pied-progresse/>

2. Financial characteristics of the investment

a) *Contracts involved in the operation*

i. Terms of subscription

Subscription offers of EcoTree are made via its website, which allows for the purchase of trees by credit card or bank transfer. Management is entrusted to EcoTree, and the customer becomes the owner of the tree(s), with property rights through real subrogation to a share of the product of the final cut of mature forest stands.

The customer, upon opening his or her personal account, must declare to have read and accepted the Terms of Sale.

However, the acquisition of trees by legal persons may be, upon request, a specific contract of sale by reference to general conditions of sale.

ii. Types of contracts

By accepting the terms of sale, the customer concludes a sales contract with EcoTree whereby he or she acquires ownership of one or several trees and property rights through real subrogation to a share of proceeds from the final cut of mature forest trees. He or she mandates EcoTree to manage and maintain the forest in which the trees are planted and to select the sawmill responsible for the final cutting of the trees and the payment directly to the customer, of his or her share of the price of the final cut of the mature forest trees.

The general conditions of sale are subject to French law (see Article 21 of the general conditions of sale).

b) Investment Universe

EcoTree offers investing in forest trees located in France and mainly in Pays-de-la-Loire, Limousin, Bourgogne, Île de France and Bretagne.

To date, the table available in Appendix 1 outlines the investment universe proposed by EcoTree.

c) Developed management strategies

The forestry management is entrusted to EcoTree, and the customer becomes the owner of the tree(s), with property rights through real subrogation to a share of the product of the final cut of mature forest trees.

EcoTree is thus mandated to manage and maintain the trees and is committed to the best value of the forest by implementing all necessary procedures through dynamic forestry management.

d) Technical management arrangements

EcoTree strives to enable trees to grow in the best possible conditions through meticulous management and maintenance of those.

It bears all costs related to the maintenance and care of forests, such as the processing of mushrooms, clearing, pruning and thinning, etc. In addition, EcoTree reserves the right to call on to regular partners, notably forestry experts and local forestry companies.

EcoTree favors a silvicultural approach called "close to nature." This is to avoid monoculture and promote the different age classes of trees within the same forest, preferring natural regeneration to clearcutting and avoiding an abrupt cut that could damage forest soil and instead promoting a mixture of deciduous and evergreen to improve biodiversity and enable better tree resistance.

After each period of intermediate cuts (thinnings), an independent expert in forest areas (described in Section V below) will conduct an *ad hoc* audit to certify the forestry quality which will be available in the customer's personal space on the EcoTree website.

e) Options for release

The EcoTree company does not aim to ensure liquidity of the financial assets of its customers by taking over or buying trees at any time against payment of a sum of money to customers. The planned output is therefore in principle that of the forward sale of timber (at the end of the tree's life cycle) to a sawmill selected by EcoTree. The customer therefore has no right to recovery or redemption of its tree by EcoTree.

However, in its sole discretion, EcoTree permits itself to acquire trees that would be offered for sale by the customer, with the understanding that this is a simple right of redemption at the discretion of EcoTree and never a direct obligation to EcoTree's customers. EcoTree can therefore refuse to buy trees that are the subject of a sales request from a customer.

In addition, each customer can decide at any time to sell the tree to a third-party purchaser of his or her choice. In this case, the customer must notify EcoTree, in the words of the general conditions of sale, of the beneficiary designation from the sale so that EcoTree can note the change in the tree's ownership and continue to manage and maintain it for the benefit of the new owner.

In any event, in case of resale of a tree during its growth cycle, the resale price is an agreement without any guarantee and with a high risk of capital loss.

3. Evaluation of property or property rights

a) *Data required for the valuation of trees*

The parameters for valuing trees are:

- **Number of initial trees:** number of existing trees and/or trees planted in the case of reforestation;
- **Number of trees sold:** number of forest trees sold to EcoTree customers;
- **Number of mature trees:** number of mature forest trees at the time of the final cut;
- **Estimated final value:** estimated value of the mature forest trees, which is calculated by multiplying the anticipated eventual cubic content by the average price per cubic meter of wood over the prior three years;
- **Duration:** number of years it takes for forest trees to mature, which corresponds to the life cycle of the tree.

All of this data is defined and validated by an independent expert for each tree purchased by an EcoTree customer.

b) *Pricing and the number of forest trees sold*

The calculation of the before-tax purchase price stems from a financial approach based on a discount rate of 2% annual compound interest⁶ (without this rate constituting a forward yield guarantee for the customer). It is calculated as follows:

$$\text{Before-tax purchase price} = \frac{\text{Estimated final value}}{\text{Number of trees sold} * (1 + 0.02)^{\text{Duration}}}$$

⁶The annual compound interest rate of 2% is an option integrated into the valuation logic proposed by EcoTree based on the average growth rate of the volume of timber recognized by experts. This rate is justified by the fact that the general index of the selling price of stumpage has increased on average by 2% per year since 2004, according to the Economic Indicator of France Bois Forêt (2017) of the French "Caisse des Dépôts": https://www.forestiere-cdc.fr/sites/default/files/2017-04/Indicateur%20du%20Prix%20de%20Vente%20des%20Bois%20sur%20Pied%202017_0.pdf.

c) Example of determining the price and the number of forest trees sold

INPUTS		DETERMINING THE NUMBER OF TREES MARKETED	
Forestry data		(8) Long-term value of forest: (2) * (4)	€25,200
Type of wood	Douglas	(9) Current worth of forest: (8) * (1+ (5)) ^ (- (1))	€7,681
(1) Maturity (years)	60	Scenario 1: The Douglas seedling is sold at €15 before tax	
(2) Cubic meters expected (m ³)	450	Number of trees sold: (9) / (6)	512
(3) Cubic units (m ³)	1.5	Scenario 2: The Douglas seedling is sold at €30 before tax	
Number of initial trees	1,200	Number of trees sold: (9) / (7)	256
Market Data- France Bois Forêt			
(4) m ³ Price	€56		
(5) Discount rate	2%		
EcoTree Pricing HT 1)			
(6) Scenario 1			
Douglas seedling @	€15		
(7) Scenario 2			
Douglas seedling @	€30		

The number of trees sold is always between the number of initial trees and the number of futures trees.

d) Determination of right to the product from the final cut of mature trees within a given forest

The EcoTree customer holds an interest in the product from the final cut of mature trees within a forest, even in case of disappearance of the tree for any reason whatsoever. This right is determined as follows:

$$\text{Right to the proceeds of the final cut} = \frac{\text{Proceeds of the final cut} \times \text{Net amount subscribed by X}}{\text{Net amount subscribed for the given forest}}$$

Being specified that:

- The "proceeds of the final cut" is equal to the total proceeds of the final cut of the remaining mature trees in the forest;
- The "Net amount subscribed by X" is equal to the sum of trees multiplied by their respective purchase price before tax at T0 (*) purchased by the customer;
- The "Net amount subscribed for the given forest" is equal to the sum of all "subscribed before-tax amounts" for each customer. Total sum of the purchase price excluding trees at T (0);
- (*) T0: Date of first marketing of trees on the EcoTree platform.

For example, in 2017, Paul bought 10 Douglas seedlings before tax for €15 for a total subscription amount of €150 from 4,500 forest seedlings considered. Sixty years later, in 2077, the forest cut of the product is €200,000. Paul thus receives €444.44, which is calculated below in detail:

- Proceeds from the final cut = €200,000
- Amount subscribed by Paul = $10 \times 15 = €150$
- Total amount subscribed for the given forest = $4500 \times 15 = €67,500$
- Right to product from the final cut = $(200,000 \times 150) / 67,500 = €444.44$

In a second and more conservative scenario, the proceeds of the final cut from the same forest would be €100,000, and Paul would then receive €165.62 ($100,000 \times 150 / 67,500 = €222.22$).

Finally, if the product of the final cut from this same forest amounted to €50,000, Paul would receive only €111.11 for €150 invested ($50,000 \times 150 / 67,500$).

4. Arrangements for distribution of the product from the final cut

To best defend the interests of its customers during the final cut of mature trees within a forest, EcoTree promises to tender with a minimum of two sawmills partners. The sawmill partner offering the best resale price of timber harvested for the final cut is once and for all chosen by EcoTree. It is stated that the valuation of a forest of mature trees is provided by the timber market (depending on supply and demand) via the best prices for harvested timber.

The agreement established between the retained sawmill as part of the tender and EcoTree stipulates that the sawmill will pay, according to the formula set in II)3)d), each identified customer with interest in the forest being cut. In this manner, EcoTree provides all necessary documents (purchase invoices, RIB/IBAN identity of the trusted third party, etc.) to the retained sawmill so that it can directly settle the product of the final cut with each customer.

Part III. Fees

Fees and commissions are expressed inclusive of all charges (including tax) shown in the table below and represent the maximum that can be paid to the customer by post.

Type of costs (direct or indirect)	Remuneration of the intermediary in miscellaneous goods or of a third party	Scale rate and base or package	Sampling methods
Direct fees to the customer	Purchase price of the tree (between €15-30 at present)		Bank card or transfer
Subscription or entry fee	0	N / A	N / A
Management fees	see table below	N / A	N / A
Insurance costs	0	N / A	N / A
Other fees (conservation, transport...)	see table below	N / A	N / A
Commission on transaction	0	N / A	N / A
Commission of liquidation (Relating to the resale of goods)	0	N / A	N / A
Commission on added value (if several intermediaries in various assets are involved in the operation and several or all receive a commission on capital gain, the said commission should be broken down for each intermediary)	0	N / A	N / A
Other indirect costs may impact the profitability of the investment (eg., remuneration of the intermediary in miscellaneous goods at the initiative of the operation by a third party)	0	N / A	N / A

For a tree purchased for €15 before tax, the breakdown and the nature of the main expense items as well as EcoTree's remuneration (expressed in % and range of the purchase price) are provided below:

Distribution Costs

Spread of the sale price of a tree at €15 (standard)



Finally, under forest management, EcoTree is forced to make intermediate "light" cuts within the forest during the life cycle of the tree, that is, cutting forest trees before they mature.

EcoTree draws the customer's attention to the fact that he or she does not enjoy the product of intermediate cutting, leases for hunting rights, or of any subsidies, these products being fully received by EcoTree for the purpose of financing the maintenance of the forest until the final cut of mature trees within a forest.

Charges reduce the return on investment.

Part IV. Scenarios of evolution of investment

INPUTS	
Type	Douglas
Maturity (years)	60
Expected cubing at term (M3)	450
Unitary cubing (M3)	1,5
Price M3	56 €
Number of trees at cutting time	300
Value of the massif at cutting tim	25.200 €
Discount rate	2%
Current worth of the massif	7.681 €

Notes

- * Depending on the species, the site (soil quality, hydrology, etc.), the maturity of the site and its quality, the expected cubing varies and consequently influences the total value of the site, and therefore the number of commercialized trees.
- * This is the reason why each site is the subject of an expert appraisal by a forestry expert chosen by EcoTree in order to estimate the value of said site according to the various criteria mentioned above.
- * Our investment scenarios are always based on data from the expert and a discount rate of 2% corresponding to the average natural increase of standing timber on a massif (discounted value of the massif)

	Initial Investment		Risks	Revenues		Gains/losses Values		Comments
	Overall initial amount <i>(entire forest massif)</i>	Unitary initial amount <i>(1 tree in massif)</i>	Variation in standing timber price of x% vs. the course 2017	Revenue for the global cutting of wood	Unitary revenue for the cutting of wood	Global gains/losses values	Unitary gains/losses values	
Unfavorable scenario - 100%	7.681 €	15 €	-100%	-	-	-7.681 €	-15 €	Scenario with total loss of capital due to a complete fall in the price of wood (0 €/M3)
Average scenario	7.681 €	15 €	-70%	7.681 €	15 €	Néant	Néant	The price of the cut depends on two parameters: on one hand, the price of wood, and on the other hand, the natural growth of the wood (2% per year). In an average scenario, despite a fall in the price of wood of 70% (c.17 €/M3 vs. 56 €/M3 estimated), the natural growth of the wood makes it possible to limit the impact of the fall in the price of wood - so that the investor only regains his initial investment.
Favourable scenario	7.681 €	15 €	0%	25.200 €	37 €	17.519 €	22 €	Scenario focused on maintaining the price of timber at the 2016 level (2017 indicator of Forestry and Wood France)

Adverse scenario

The adverse scenario takes into consideration the occurrence of factors such as, for example, the destruction of trees, a massive drop in the wood prices due to major international events (with sufficient capacity to significantly destabilize such a serious crisis caused by oil prices, border closings, major climatic disasters, etc.), inflation, or EcoTree's solvency.

In this case, the customer would lose the entire investment.

Median scenario

The median scenario is based on the presumption of a sharp drop in prices of the m³ of Douglas: 70% or €17 (vs. €56 in 2016 according to the 2017 indicator from France Bois Forêt). In this case, the customer still recovers his or her initial investment.

Favorable scenario

The optimistic scenario is based on a simple natural increase (discount rate) of 2% of the value of the m³ of forest wood (and to achieve the hoped 450m³ in scaled cubage at maturity).

This scenario is decidedly conservative as the price per M³ of Douglas is maintained at 2016 (€56/m³), while the general price index of standing timber increased by an average of 2% per year since 2004 according to the 2017 indicator from France Bois Forêt of the French "Caisse des Dépôts".

In this case, the customer would make a capital gain of €22, or 1.4x his or her initial investment also recovered (€15).

It is specified that in any case, the discount rate of 2% is by no means a guaranteed return of investment of 2%.

Part V. Information on the operation of the actors

1. Information relating to that of intermediaries in various goods mentioned in 1 ° of I of Article L.550-1 of the French Monetary and Financial Code which takes the initiative of the operation

The initiative of operation of diverse goods is taken by Paintitgreen SAS (whose commercial name is EcoTree), a joint stock company located at 110 rue Charles Nungesser 29490 Guipavas, chaired by Mr Erwan Le Mene, with a capital of €83,362.

The company specializes in sustainable development which aims to reward environmental awareness in an innovative manner by providing profitable investment solutions in tree planting (NAF Code: 7490B).

Indication of turnover during the past three years:

- 2015: €14'703
- 2016: €91'861
- 2017: €408'226
- 2018: €830'505

2. Information relating to the expert attesting to the existence of goods, advising on their liquidity and their valuation

EcoTree has appointed Mr. François Cluzeau, forestry manager and expert of the Forestry Committee close to the Court of Appeal of Versailles, France.

3. Auditor Name

EcoTree has appointed the Carmyn firm as external auditor, represented by Enguerrand Boissonnet, Associate Vice-President at Carmyn, located at 6 rue de Thann, 75017 Paris, France.

4. Distributors

Not applicable. EcoTree does not use distributors or other intermediaries for the purposes of marketing its offers.

5. Information on the person insuring the goods

EcoTree has not taken out insurance on the goods.

6. In case of resumption or exchange, information on the persons guaranteeing the liquidity of goods or property rights

Not applicable. The customer has no right to recovery or redemption of its tree by EcoTree.

Part VI. Faculty of resumption or exchange

No ability to return or exchange is offered by EcoTree.

Part VII. Other information

1. Indication of the tax system

Potential customers should not merely be satisfied with the summary of the tax laws in the "Indication of the tax system" section of this Information and must consult their own tax advisor regarding the impact of the purchase, possession, and sale of trees. The tax consultant is only able to take into account the specific situation of the potential customer.

It is necessary to note here that the activity carried out by EcoTree is subject to special taxation.

a) The VAT rate applicable to the sale of trees to individuals

The sale of standing trees or logs or revenue from cutting cannot be considered firewood is subject to the VAT rate of 20%.

b) Taxation of individuals upon the sale of trees

The qualification of real or personal property of trees sold depends on the destination that the parties wish to give them.⁷ Thus, when a stand of trees, a seedling or an interest in a tree is given the order to be cut, its legal status is that of personal property in advance⁸.

In particular cases, trees are sold either at the end of the term conventionally provided between EcoTree and the customer, before the expiry of the term from a third party or EcoTree, to be cut by the partnering sawmill. Stands of trees, individual trees or rights of transferred trees are therefore legally recognized personal property in advance.

Consequently, the sale is subject to the tax rules applicable to capital gains made by individuals, under sections 150 and those following of the French tax law ("Code des impôts").

The customer must take into account that the tax that could be applied to the potential capital gain made on the sale of a stand of trees, individual trees or rights to trees upon cutting. Therefore, EcoTree recommends customers contact a tax advisor.

2. Composition of the file to be provided to the customer

The customer can check all available information on offers from EcoTree on its website. This briefing note and the terms of sale are available on the EcoTree website.

3. Individuals responsible for the informational document

The information in this document conforms to reality and contains no omission likely to alter its scope.

⁷ BOI-ENR-DMTOI-10-10-10, § 230

⁸ Civil Code, Article 521.

EcoTree

By: Mr. Theophane Le Méné, CEO



Customers can obtain more information from:

Baudouin Vercken,

110 rue Charles Nungesser 29490 Guipavas

06.98.00.88.45

baudouin@ecotree.fr

APPENDIX 1 :

Localisation	Surface cadastrale (ha)	Forêts	Essence	Surface parcelles forestieres (ha)	Age 2019 / Age à maturité (ans)
Loguivy-Plougras (22)	0,95	Forêt de Coadou	Epicéa de Sitka	0,948	4/40
Langoëlan (56)	15,92	Forêt de Mariaker	Thuya géant	1,1208	3/60
			Forêt de Bourrus	Epicéa de Sitka	1,7503
		Forêt de Brokus	Douglas/chêne rouge	1,083	2/60
			Douglas	2,6959	42/60
			Epicéa de Sitka	0,5072	30/60
			Epicéa de Sitka	0,5364	2/40
		Forêt de Mevenez	Epicéa de Sitka	0,5596	non productif
			Epicéa de Sitka	2,8752	30/40
			Epicéa de Sitka	1,7289	2/40
			Zone non productive	0,3194	non productif
Plouray (56)	11,41	Forêt de Kerautret	champ loué à un agriculteur	0,6565	champ loué
			Zone non productive	2,0969	non productif
			Chêne/Châtaignier	3,08	Châtaignier'42/50 et chêne 42/100
			Douglas	11,789	2/60
			Epicéa de Sitka	8,6396	2/40
Pontvallain (72)	6,73	Forêt de la Faigne	Douglas	2,9215	2/60
			Pin maritime	0,8492	30/45
			Pin Laricio	2,7682	12/70
			Pin Laricio	1,7078	37/70
Ruillé sur Loire (72)	21,44	Forêt de Ruillé	Châtaignier	0,653	Non productif
			Chêne / chataignier	0,0824	chêne 52/120 chataignier 25 /50
			Chêne / chataignier	0,0633	
			Chêne / chataignier	0,0352	
			Chêne / chataignier	0,0676	
			Chêne / chataignier	0,0606	
			Chêne / chataignier	0,075	
			Chêne / chataignier	0,0363	
			Chêne / chataignier	0,3109	
			Chêne / chataignier	0,83	
			Chêne / chataignier	8,281	
Chêne / chataignier	0,234				
Melrand (56)	19,55	Forêt de Melrand	Chêne / chataignier	11,365	
			Douglas/chêne rouge	8,72	2/60 et 2/80
			Pin maritime	7,2781	1/40
			pin maritime	0,3036	1/40
			peuplier	0,9595	0/25
			Zone non productive	0,6025	zone non productive
			Zone non productive	0,6054	zone non productive
			Zone non productive	1,0579	zone non productive
Pézarches (77)	16,32	Forêt de Pézarches	Zone non productive	0,0079	zone non productive
			Constituée de multiples essences de feuillus, la forêt est gérée en futaie irrégulière. Une coupe est faite tous les 8ans	1,912	Futaie irrégulière, prélèvement tous les 8 ans
			Constituée de multiples essences de feuillus, la forêt est gérée en futaie irrégulière. Une coupe est faite tous les 8ans	12,378	
			Constituée de multiples essences de feuillus, la forêt est gérée en futaie irrégulière. Une coupe est faite tous les 8ans	0,2017	
			Constituée de multiples essences de feuillus, la forêt est gérée en futaie irrégulière. Une coupe est faite tous les 8ans	0,265	
Constituée de multiples essences de feuillus, la forêt est gérée en futaie irrégulière. Une coupe est faite tous les 8ans	1,1005				

Gioux (23)	30,69	Forêt de Gioux	Mélèze / douglas	1,72	2019/futaie irrégulière prélèvement tous les 6 ans à partir de 2044
				2,434	
				0,0533	
				3,1945	
				0,038	
				0,0319	
				0,09	
				0,141	
				0,122	
				1,098	
				0,0765	
				0,068	
				0,0575	
				0,8195	
				2,348	
				1,2413	
				1,9255	
				0,8337	
				0,591	
				2,8015	
				0,1805	
				0,583	
				0,548	
0,203					
4,937					
0,4195					
0,2219					
0,378					
0,1247					
1,918					
0,0807					
1,1883					
0,0916					
0,0692					
0,0773					
Chatelus le Marcheix (23)	7,9346	forêt de Palotas	chêne rouge/merisiers	4,529	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			douglas	0,6166	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			douglas	2,789	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
St Dizier Leyrenne (23)	14,761	forêt de Palotas	Meleze/cedre	0,1757	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			Chene	0,2468	zone non productive
			Chene	0,4092	zone non productive
			meleze/cedre	0,4975	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			chene	1,1193	zone non productive
			meleze/cedre	1,3643	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			sapin pectiné	1,4735	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			meleze/cedre	2,0153	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045
			douglas	7,4596	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2045

Luthenay	110	forêt de Luthenay		1,0044	
			P1 pin laricio	7,485	23 / 70
				3,208	
				5,171	
				8,9975	
			P2 douglas non mychorizés / P3 chêne non mychorizés	9,5075	P 2 29 / 60 - P3 29 / 120
				8,685	
				1,75	
			P4 douglas mychorizés	0,8287	23 / 60
				3,7697	
				4,2979	
			P5 chêne	3,1252	23 / 120
				0,5601	
				2,2735	
			P6 chêne rouge	3,545	23 / 80
				1,0727	
	6,3723				
	1,9649				
	7,7227				
	4,0983				
	6,6555				
	P 8 chêne	2,9915	20 / 120		
	P 10 peuplier	1,5	23 / 25		
		1,7			
	P 11 peuplier	5,315	4 / 25		
		1,8438			
	P 12 mixte feuillus		23 / 80		
Le Faouet (56)	3,9	forêt du Faouet	douglas / thuya	1,31	2020/futaie irrégulière prélèvement tous les 5 ans à partir de 2040
			douglas	1,1646	2020/futaie irrégulière prélèvement tous les 5 ans à partir de 2040
			cèdre	1,4382	2020/futaie irrégulière prélèvement tous les 7 ans à partir de 2040
Ploerdut (56)	9	Forêt de Ploerdut 1	douglas	2,2856	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040
			cèdres	2,6493	2020/futaie irrégulière prélèvement tous les 7 ans à partir de 2040
			douglas	0,3852	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040
			douglas	0,6083	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040
			Zone non productive	0,9107	zone non productive
			Zone non productive	1,2304	zone non productive
			douglas	0,6253	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040
			douglas	0,2521	1960/futaie irrégulière prélèvement tous les 6 ans à partir de 2020
Ploerdut (56)	2,7	forêt de ploerdut 2	douglas	0,9887	40 / 60
				0,0775	
			sitka	1,6149	0/futaie irrégulière prélèvement tous les 6 ans à partir de 2037
Cleden Poher (29)	12,02	forêt de Cleden	douglas / chataignier	5,114	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040
			mélèze / chene rouge	1,8128	2020/futaie irrégulière prélèvement tous les 5 ans à partir de 2040
			Thuya / epicea	2,4119	2020/futaie irrégulière prélèvement tous les 6 ans à partir de 2040

Pleyben (29)	12,00	forêt de Pleyben	P1 merisiers	0,5776	31 /45
			P2 grandis	0,9716	22 /30
			P3 erable	0,3204	21 /60
			P4 sitka	0,598	22 /40
				0,1063	
			P6 erable	1,1137	35 /60
			P7 chataignier	1,0687	8 /50
				0,4954	
			P8 thuya	0,156	3 /60
				0,4869	
				0,1245	
			P9 douglas	0,1158	41 /60
				0,3724	
				1,2208	
			P10 chataignier	0,6963	3 /50
				0,6552	
P11 peupliers	0,4379	3 /25			
P 15 chene rouge	0,1674	33 /80			
	1,328				
P16 Sitka	0,4889	2020 /2060			
	0,3442				
Lanrivain (22)	7,52	forêt de Lanrivain et Plouguernevel		0,4469	
			P1 sitka 2008	0,653	11/40
				0,6039	
				0,6804	
				0,1438	
				0,3226	
			P2 Sitka 2016	0,9597	3/40
				0,5503	
				0,8683	
				0,8117	
				1,481	
PLOUGUERNEVEL	5,11	forêt de Lanrivain et Plouguernevel	5,11		
Lanrivain (22)	10,40	forêt de Lanrivain et Plouguernevel		1,574	
				0,727	
				0,9	
				0,0817	
				0,2675	
			P 3 Sitka 2019	0,5369	1/40
				0,2646	
				0,2066	
				0,6226	
				0,0013	
				0,664	
				2,465	
				1,586	
Total (Ha)	318,36				