



**INSTRUCTION**

to

**DIIS GROUP**  
Agent and Security Agent

dated 11 July 2022

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**BY THIS INSTRUCTION,**

**MakerDAO**, a decentralized and permissionless community of token holders that governs and operates a software protocol (the "**MKR Token Holders**") functioning on the Ethereum public blockchain (the "**MakerDAO Protocol**") allowing for the issuance of a collateral-backed digital asset soft-pegged to the US dollar (each a "**DAI**") (hereafter, "**MakerDAO**"),

hereby instructs

**DIIS Group**, a *société par actions simplifiée*, incorporated under the laws of France, whose registered office is located at 12, rue Vivienne 75002 Paris, France, registered with the Trade and Companies Registry (*Registre du Commerce et des Sociétés*) of Paris under number 812 824 266 ("**DIIS Group**"),

to be its representative, acting as its agent (*mandataire*) (in such capacity, hereinafter referred to as the "**Agent**") and as its security agent (in such capacity, hereinafter referred to as the "**Security Agent**"), in order to carry out its duties pursuant to the DAI Loan Agreement, the Pledge Agreement or any ancillary document to which the Agent or the Security Agent is expressed to be a party, pursuant to the terms and conditions of this instruction (the "**Instruction**").

**IT IS HEREBY AGREED AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

Capitalized terms shall have the meaning ascribed to them below or as otherwise expressly ascribed elsewhere in this Instruction:

**"DAI Loan Agreement"** means the loan for consumption agreement (*contrat de prêt de consommation*, as defined by articles 1892 et seq. of the French Civil Code) to be entered into between MakerDAO (represented by the Agent) and the Agent (acting in its own name), on the one hand, and SG Forge, on the other hand, pursuant to which SG Forge will borrow DAIs from MakerDAO, the terms and conditions of which are set out in Schedule 1;

**"DAI Loan Termination Date"** means the "Termination Date" (as defined in the DAI Loan Agreement);

**"Delegated Committee"** means those persons nominated by MakerDAO from time to time to interact with DIIS Group on behalf of MakerDAO in respect of matters relating to this Instruction, the DAI Loan Agreement and/or the Pledge Agreement;

**"Effective Date"** means the effective date of appointment of DIIS Group as Agent and Security Agent pursuant to Clause 3 of this Instruction, which shall be the date on which the Instruction has been approved by an executive vote, and in any event no later than 30 September 2022;

**"Governance Facilitator"** means the governance (GovAlpha) core unit of the MakerDAO responsible for administration of voting by MKR Token Holders;

**"Insolvency Event"** means, in relation to DIIS Group, any of the following events:

- (a) DIIS Group is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) DIIS Group is in a state of *cessation des paiements* within the meaning of Article L. 613-26 of the French Monetary and Financial Code or, as applicable, Article L. 631-1 of the French Commercial Code or any other equivalent provision under any applicable law, or has demonstrated to the relevant insolvency court financial difficulties which it cannot overcome ("*justifie de difficultés qu'il n'est pas en mesure de surmonter*") within the meaning of Article L. 620-1 of the French Commercial Code or a liquidator is appointed in respect of that person pursuant to Article L. 613-24 of the French Monetary and Financial Code;
- (c) any corporate action, legal proceedings or other procedure or step is taken in relation to (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, the opening of proceedings for *sauvegarde*, *sauvegarde accélérée*, *redressement judiciaire* or *liquidation judiciaire* (or any other proceedings having a similar effect under any other applicable law), the opening or voluntary proceedings in view of the negotiation with one or more of its creditors (such as a *mandat ad hoc* or a *conciliation* or otherwise) of DIIS Group; or (ii) the appointment of a liquidator, receiver,

administrator, administrative receiver, compulsory manager or other similar officer in respect of DIIS Group or all or part of its respective assets; or

- (d) a judgement for *sauvegarde*, *sauvegarde accélérée*, *redressement judiciaire*, *liquidation judiciaire* or *cession totale de l'entreprise* is rendered or, a *mandataire ad hoc* is appointed or a *conciliation* opened, in relation to DIIS Group under Book VI of the French Commercial Code (or any other proceedings having a similar effect under any other applicable law) or, as applicable, Articles L. 613-24 *et seq.* of the French Monetary and Financial Code, or an *administrateur provisoire* is appointed pursuant to Article L. 612-34 of the French Monetary and Financial Code.

**“OnChain Governance”** means the procedures for MKR Token Holders to reach a decision binding on MakerDAO.

**“Pledge Agreement”** means the pledge agreement to be entered into between SG Forge as pledgor and the Security Agent, acting in its own name but on behalf of MakerDAO with respect to OFH Tokens SG Forge owns, made in accordance with articles L. 211-20 *et seq.* of the French Monetary and Financial Code, the terms and conditions of which are set out in Schedule 2.

**“Security Period Term”** means the later of (i) the DAI Loan Termination Date and (ii) the date on which MakerDAO and the Agent have no residual rights or obligations under the DAI Loan Agreement.

**“SG Forge”** means Société Générale Forge, a *société anonyme à conseil d'administration*, incorporated under the laws of France, whose registered office is located at 17 cours Valmy, 92800 Puteaux, France, registered with the Trade and Companies Registry (*Registre du Commerce et des Sociétés*) of Nanterre under number 882 696 628.

## 2. SUBMISSION OF THIS INSTRUCTION

- 2.1 SG Forge intends to refinance OFH Tokens issued by Société Générale SFH with DAIs issued by MakerDAO and secured by OFH Tokens (the "**Refinancing**").
- 2.2 SG Forge submitted the "*Security Tokens Refinancing MIP6 Application for OFH Tokens*" project to a poll for approval by the MKR Token Holders in the context of the Refinancing.
- 2.3 The Refinancing was approved by the MKR Token Holders through a vote ended on [ TBC ] 2022 pursuant to the rules of the MakerDAO Protocol (see <https://vote.makerdao.com/executive>).
- 2.4 MakerDAO now wish to appoint an Agent and a Security Agent to take any required action on behalf of, and represent the interests of, MakerDAO in connection with the Refinancing.
- 2.5 This Instruction is submitted by the Governance Facilitator of MakerDAO to an executive vote of MKR Token Holders in order to propose and approve the appointment of DIIS Group as Agent and Security Agent on the terms in Clause 3.
- 2.6 This Clause 2 and Clauses 11 to 16 shall be effective from the approval of this Instruction in accordance with Clause 3.1.

## 3. ENTRY INTO FORCE – APPOINTMENT – AUTHORITY

### 3.1 Entry into force

This Instruction will come into force upon its formal approval through an executive vote by (i) the MKR Token Holders and (ii) DIIS Group as MKR Token Holder, the result of which will be published on [vote.makerdao.com/executive](https://vote.makerdao.com/executive).

### 3.2 Appointment

By voting for the approval of this Instruction, and with effect from the Effective Date through to the Security Period Term, DIIS Group is hereby appointed and DIIS Group hereby accepts the appointment, to act as Agent and Security Agent of the MakerDAO to carry out the duties described in Clause 4 of this Instruction, subject to any prior termination of such appointment in accordance with the provisions of this Instruction.

Without prejudice to the other provisions of this Instruction, the appointment of DIIS Group as Security Agent is an appointment as "*agent des sûretés*" under the provisions of articles 2488-6 and following of the French Civil Code.

### 3.3 Authority

- 3.3.1 DIIS Group shall, subject to the terms and conditions of this Instruction, have the full power and authority to do or cause to be done any and all things necessary, convenient or incidental to its obligations hereunder.
- 3.3.2 No other Agent or Security Agent will be appointed with respect to the duties entrusted to DIIS Group, unless required upon the termination of this Instruction in accordance with its terms.
- 3.3.3 The initial Delegated Committee shall be those individuals identified in the executive vote approving this Instruction as found at [vote.makerdao.com/executive](http://vote.makerdao.com/executive). One or more members of the Delegated Committee may notify DIIS Group in writing from time to time of any change to the Delegated Committee (a "**Change Notice**"). Such Change Notice shall include a link to [vote.makerdao.com/executive](http://vote.makerdao.com/executive) reflecting the vote approving such change.

#### **4. DUTIES**

##### 4.1 Duties of the Agent

Pursuant to this Instruction, DIIS Group, acting in its capacity as Agent, shall:

- (i) enter into the DAI Loan Agreement, the terms of which are set out in the Term Sheet in Schedule 1, and any documents ancillary to the DAI Loan Agreement to which the Agent is expressed to be a party, in the name and for the benefit of MakerDAO;
- (ii) perform its duties, obligations and responsibilities and exercise the rights, powers, authorities and discretions, including all rights and obligations of MakerDAO may be liable for vis-à-vis any third party under or in connection with the DAI Loan Agreement and this Instruction together with any other incidental rights, powers, authorities and discretions; and
- (iii) report to the Delegated Committee on the performance of its duties arising from this Instruction.

DIIS Group may not assign any right and obligation under this Instruction.

##### 4.2 Duties of the Security Agent

Pursuant to this Instruction, DIIS Group shall acting in its capacity as Security Agent:

- (i) enter into the Pledge Agreement, and any documents ancillary to the Pledge Agreement to which the Security Agent is expressed to be a party, in its name and for the benefit of MakerDAO;
- (ii) perform its duties, obligations and responsibilities and exercise the rights, powers, authorities and discretions, including all rights and obligations of MakerDAO may be liable for vis-à-vis any third party, specifically given to the Security Agent under or in connection with the Pledge Agreement and this Instruction together with any other incidental rights, powers, authorities and discretions; and
- (iii) take any action to defend or preserve MakerDAO's interests under the Pledge Agreement.



When DIIS Group acts for the benefit of (including enters into any document on behalf of) MakerDAO as Security Agent under this Instruction, DIIS Group shall specify that it is acting as security agent under articles 2488-6 and following of the French Civil Code.

DIIS Group may not assign its rights and obligations under this Instruction.

#### 4.3 Rights and discretions

##### 1.1.1 General

When acting in its capacity as Agent and Security Agent, DIIS Group may:

- (a) rely on any representation, communication, notice or document believed by DIIS Group to be genuine, and appropriately authorized;
- (b) assume that:
  - (i) any instructions received from the Delegated Committee, are duly given in accordance with the terms of the DAI Loan Agreement and/or the Pledge Agreement; and
  - (ii) unless the appointment of DIIS Group under this Instruction has been revoked, those instructions have not been revoked;
- (c) engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts and rely on the advice or services of such lawyers, accountants, tax advisers, surveyors or other professional advisers or experts; and
- (d) perform its duties in relation to the DAI Loan Agreement and the Pledge Agreement through its officers, employees and agents, provided that it shall:
  - (i) be liable for any error of judgment made by any such person; or
  - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person.

Notwithstanding any other provision of the DAI Loan Agreement and/or the Pledge Agreement to the contrary, DIIS Group is not obliged to:

- (i) do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation; and
- (ii) expend or risk DIIS Group's own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if DIIS Group has grounds for believing the repayment of such funds or adequate indemnity against security for, such risk or liability is not reasonably assured to DIIS Group.

##### 1.1.2 Pledge Agreement

As Security Agent, DIIS Group shall have the sole power and discretion to enforce the Pledge Agreement or to exercise any right, power, authority or discretion arising under the Pledge Agreement in addition to any rights and privileges granted to it under articles 2488-6 and following of the French Civil Code.

### 1.1.3 Instructions

DIIS Group shall:

- (a) unless a contrary indication appears in the DAI Loan Agreement and the Pledge Agreement, exercise or refrain from exercising any right, power, authority or discretion vested in DIIS Group as Agent or Security Agent in accordance with any instructions the Delegated Committee has given to DIIS Group; and
- (b) not be liable for any act (or omission) if DIIS Group acts (or refrain from acting) in accordance with paragraph (a) above.

As Agent and Security Agent, DIIS Group shall be entitled to request instructions, or clarification of any instruction, from the Delegated Committee as to whether, and in what manner, DIIS Group should exercise or refrain from exercising any right, power, authority or discretion, and DIIS Group may refrain from acting unless and until DIIS Group receives any such instructions or clarification from the Delegated Committee that DIIS Group has requested and shall not be liable to any party pending receipt of those instructions or clarifications.

## 2. **REMUNERATION OF DIIS GROUP**

Remuneration of DIIS Group acting as Agent and/or Security Agent will be fully paid by SG Forge and agreed separately between DIIS Group and SG Forge in accordance with a side letter between SG Forge and DIIS Group.

## 3. **REPRESENTATIONS AND WARRANTIES OF DIIS GROUP**

Acting in its capacity as Agent and/or Security Agent, DIIS Group makes the following representations and warranties for the benefit of MakerDAO:

- 3.1 Status.** It is a company duly organised and established under the laws of France and incorporated as a *société par actions simplifiée* with registered number 812 824 266 R.C.S. Paris.
- 3.2 Legal Capacity.** It has the legal capacity to enter into and perform the Instruction and has obtained all necessary authorizations and consents from its corporate bodies and the competent administrative authorities and any other authorizations and consents required for this purpose.
- 3.3 Insolvency.** It is not subject to any Insolvency Event.
- 3.4 Times for making Representations and Warranties.** The representations and warranties set out in this Clause 6. are made by DIIS Group on the Effective Date of this Instruction and are continuing until the DAI Loan Termination Date.

#### **4. TERMINATION OF THE INSTRUCTION**

##### 4.1 Causes of Termination

This Instruction shall remain in effect until the Security Period Term, unless:

- (i) one of the Parties exercises its right to terminate this Instruction according to Clause 7.1.1; or
- (ii) an Early Termination Event occurs according to Clause 7.1.2;

(each, a "**Cause of Termination**").

##### 1.1.1 Termination at the option of the Parties

Each Party will have the right to terminate this Instruction and all of its duties and obligations imposed hereby, as follows:

- (i) DIIS Group may terminate this Instruction, at its discretion, by publishing a termination notice (a "**Termination Notice**") at [forum.makerdao.com](http://forum.makerdao.com) with the title "*SG Forge: DIIS Group Notice of Termination without Cause*".
- (ii) MakerDAO may terminate this Instruction upon its approval through an executive vote by the MKR Token Holders (excluding DIIS Group to the extent DIIS Group is a MKR Token Holder), and the result of which will be published in a Termination Notice at [forum.makerdao.com](http://forum.makerdao.com) with the title "*SG Forge: MakerDAO Notice of Termination without Cause*".

Such termination will be effective no later than two (2) Business Days following the date on which SG Forge redelivers DAI to MakerDAO in accordance with Clause 6.1.2(3) of the DAI Loan Agreement.

## 1.1.2 Early Termination

1.1.2.1 Any of the following events shall constitute a termination event with respect to DIIS Group (each, a “**Early Termination Event**”) under this Instruction:

- (i) **Misrepresentation.** Any material representation or warranty made by DIIS Group is incorrect or misleading in any material respect when made;
- (ii) **Other Obligations.** DIIS Group fails to comply with any of its material obligations under the Instruction;
- (iii) **Insolvency.** An Insolvency Event occurs in respect of DIIS Group; or
- (iv) **Illegality.** At any time it is or becomes unlawful for DIIS Group to perform or comply with any or all of its material obligations under the Instruction or any or all of its material obligations under the Instruction are not, or cease to be, legal, valid and binding.

1.1.2.2 If an Early Termination Event has occurred, DIIS Group shall notify such occurrence promptly after becoming aware of it at [forum.makerdao.com](http://forum.makerdao.com) with the title “SG Forge: DIIS Group Early Termination Event Notice” (the “**Early Termination Event Notice**”). DIIS Group shall inform the Delegated Committee in advance of posting the Early Termination Event Notice.

1.1.2.3 If an Early Termination Event occurs, the Instruction shall be terminated at the expiry of thirty (30) days as from the publication of the Early Termination Event Notice.

## 1.2 **Remedies upon termination of the Instruction**

Upon termination of DIIS Group’s appointment as Agent and as Security Agent:

- (a) all its rights, privileges and obligations provided under the Instruction shall cease without delay, except those arising under Clauses 8 (*Disclosure of Information*), 15 (*Governing law*) and 16 (*Jurisdiction*) which shall remain into force;
- (b) no party shall have the right to avail itself, orally, or in writing, or in any other manner whatsoever, of its capacity as a former contracting partner of the other party;
- (c) all outstanding sums owed by the parties become immediately due;
- (d) DIIS Group shall transfer to MakerDAO (or to the Delegated Committee) any information, documents or explanation in its possession in relation to its duties pursuant this Instruction, where possible; and
- (e) all specific powers of attorney in force granted to DIIS Group under this Instruction shall be deemed immediately and without formalities revoked.

## 2. **DISCLOSURE OF INFORMATION**

DIIS Group shall keep confidential any information supplied to it by or on behalf of MakerDAO in connection with this Instruction. However DIIS Group shall be entitled to disclose information:

- (a) which is publicly available, other than as a result of a breach by it of this Clause;

- (b) in connection with any legal or arbitration proceedings;
- (c) if required to do so under any law or regulation;
- (d) to a governmental, administrative, banking, taxation or other regulatory authority including, without limitation, the registration of this Instruction with the French tax authorities (*Recette des Impôts*) when such disclosure is requested by them; and
- (e) to its professional advisers.

### **3. COSTS AND EXPENSES**

DIIS Group shall be entitled to reimbursement by SG Forge, from time to time, in connection with all reasonable costs and expenses (including legal fees and registration fees if any) incurred in or in connection with the execution of its duties under this Instruction. For the avoidance of doubt, DIIS Group shall not seek any such reimbursement from MakerDAO, any representative of the Delegated Committee, or any MKR Token Holder.

### **4. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of DIIS Group, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

### **5. NOTICES**

#### **5.1 Communications in writing**

Each communication to be made hereunder shall be made in writing and, unless otherwise stated otherwise in Clause 7, shall be made by an electronic communication as follows:

To MakerDAO or to the Delegated Committee:

electronic mail: at [diis-notifications@makerdao.com](mailto:diis-notifications@makerdao.com)

To DIIS Group:

electronic mail: [agency@diisgroup.com](mailto:agency@diisgroup.com)

#### **5.2 Delivery**

DIIS Group is deemed to have validly notified MakerDAO as follows:

For notices provided in accordance with Clause 7.1, upon publishing the same at [forum.makerdao.com](http://forum.makerdao.com).

For all other notices, upon confirmation from the recipient's mailbox of a "Delivery Receipt" notification.

**6. PARTIAL INVALIDITY**

If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

**7. AMENDMENTS**

No amendment, modification, alteration or supplement shall be made to this Instruction without DIIS Group prior written approval and the approval of MKR Token Holders pursuant to an executive vote of the Maker DAO Protocol in accordance with the Onchain Governance.

**8. NO HARDSHIP**

DIIS Group hereby acknowledges that the provisions of Article 1195 of the French Code Civil (*Code civil*) shall not apply with respect to its obligations under this Instruction and that DIIS Group shall not be entitled to make any claim under Article 1195 of the French Code Civil (*Code civil*).

**9. GOVERNING LAW**

This Instruction shall be governed by, and shall be construed in accordance with, French law.

**10. JURISDICTION**

Any dispute arising in connection with this agreement, in particular regarding the performance or interpretation of this Instruction, shall be subject to exclusive jurisdiction of the *Tribunal de Commerce de Paris*.

## SCHEDULE 1 –TERMS OF DAI LOAN AGREEMENT

<b>FORM OF LOAN</b>	LOAN FOR CONSUMPTION ( <i>PRET DE CONSOMMATION</i> )
<b>DEBT CEILING</b>	UP TO 30 MILLION
<b>STABILITY FEE</b>	0.05%
<b>MATURITY DATE</b>	14 MAY 2025
<b>AMORTIZATION</b>	100% ON THE MATURITY DATE
<b>PREPAYMENT PENALTY</b>	0%
<b>MAKER DAO CALL OPTION</b>	AT WILL UPON 30 DAYS NOTICE
<b>VALUATION TRIGGERS</b>	115% (WITH PERIOD TO CURE UNDER COLLATERALIZATION) 107% (NO CURE PERIOD)
<b>COLLATERAL</b>	Up to €40 MILLION TOKENIZED SOCIETE GENERALE SFH COVERED BONDS, DUE 5/14/2025 DEMATERIALIZED NOTES IN FULLY REGISTERED FORM REGISTERED ON ETHEREUM BLOCKCHAIN
<b>GOVERNING LAW</b>	FRENCH LAW

## SCHEDULE 2 –TERMS OF PLEDGE AGREEMENT

<b>FORM OF PLEDGE</b>	Nantissement de compte-titres
<b>PLEDGOR</b>	Societe General Forge
<b>SECURITY AGENT</b>	DIIS Group (not in its own name but acting on behalf of Maker DAO)
<b>PLEDGED COLLATERAL</b>	Up to €40 million tokenized Societe Generale SFH covered bonds, due 5/14/2025 dematerialized notes in fully registered form registered on Ethereum blockchain
<b>SCOPE</b>	The Pledge secures Societe General Forge's obligation to redeliver the Borrowed DAI under the DAI Loan Agreement
<b>GOVERNING LAW</b>	French