

## SUBSCRIPTION OF CLASS A(1) PREFERRED UNITS AGREEMENT

**IMPORTANT NOTE: To subscribe for Class A(1) Preferred Units in the offering, this Subscription Agreement must be received by the Management Company (as defined below) no later than 22 December 2009.**

ProLogis Management S.à r.l. (the "**Management Company**"),  
for and on behalf of,  
ProLogis European Properties  
34-38 Avenue de la Liberté  
L-1930, Luxembourg  
Fax: +352 26 20 57 44  
Email: [pcassells@prologis.com](mailto:pcassells@prologis.com)

RBC Dexia Investor Services Bank S.A. (the "**Registrar and Transfer Agent**")  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Attention: Yvan Porté  
Fax: +352 2460 9500  
Email: [RealEstateandPrivateEquity-TA@rbcdexia.com](mailto:RealEstateandPrivateEquity-TA@rbcdexia.com)

Ladies and Gentlemen:

ProLogis European Properties ("**PEPR**") proposes an offering (the "**Offering**") of Class A(1) Preferred Units (the "**Preferred Units**"). Under the Management Regulations of PEPR, holders of PEPR ordinary units (the "**Ordinary Units**"), as shown in the register of unitholders at close of business on 16 November 2009, have the right to subscribe for any preferred units issued by PEPR on a preferential and rateable basis. Consequently, the Management Company allocated to all such holders preferential subscription rights (the "**Preferential Subscription Rights**" or "**PSRs**") to subscribe for Preferred Units. Each Ordinary Unit was allocated one PSR. PSRs were exercisable for Preferred Units at any time during the 30 day period that ended on 16 December 2009. Unexercised PSRs were sold at a public auction in accordance with the requirements set out in article 32-3 of the Law of 10 August 1915 on commercial companies on the premises of the Luxembourg Stock Exchange on 21 December 2009. If, after deduction of all costs incurred in relation to the public auction of the PSRs, any proceeds from the auction sale remain, they will be returned to the holders of the unexercised PSRs. The PSRs purchased at the public auction (the "**Auctioned PSRs**") may be exercised at any time following the public auction until and including 22 December 2009 (the "**Exercise Period**") at a ratio of 37 PSRs to two Preferred Units upon payment of a subscription price of €5.93 per Preferred Unit (the "**Issue Price**"). The Auctioned PSRs may not be exercised in multiples of less than 37. However, Auctioned PSRs are transferable by holders during the Exercise Period subject to certain restrictions on transfer under the Management Regulations. The Management Company also has the right to approve such transfers to ensure compliance with Article 11 of the Management Regulations.

The signatory ("**Subscriber**") to this subscription agreement (the "**Subscription Agreement**") agrees that it has received and read: (i) the Prospectus dated 13 November 2009 (the "**Prospectus**"); (ii) the Management Regulations of PEPR dated 13 November 2009; and (iii) this Subscription Agreement.

Other than with respect to the giving of representations and warranties under Section 6 of this Subscription Agreement, where the Management Company is referred to herein as taking any action, it shall be understood as taking such action for and on behalf of PEPR.

Capitalised terms used, but not defined herein have the meaning ascribed to them in the Prospectus.

## **1 Preferential Subscription Rights**

Subscriber currently holds \_\_\_\_\_ Auctioned PSRs that were either (1) purchased by Subscriber at public auction on 21 December 2009, or (2) transferred to Subscriber pursuant to a transfer of Auctioned PSRs approved by the Management Company and recorded in the register of holders of Preferential Subscription Rights of PEPR pursuant to a transfer agreement affecting such transfer.

## **2 Subscription**

**2.1** Subscriber hereby subscribes for the number of Preferred Units at the aggregate Issue Price set out in Exhibit 1. The aggregate Issue Price is referred to as the "Subscription Amount".

**2.2** No commissions, fees or expense reimbursement are payable by Subscriber in connection with the Offering.

**2.3** Subscriber hereby agrees that this Subscription Agreement is conditional upon being accepted by the Management Company, and otherwise is and shall be irrevocable and shall survive and shall not be affected by the subsequent dissolution, bankruptcy or insolvency of Subscriber or of PEPR. However, this Subscription Agreement will terminate if, any time prior to receipt of the Subscription Amount, Subscriber is dissolved or becomes bankrupt or otherwise insolvent and the Management Company elects that all the obligations hereunder should so terminate.

## **3 Acknowledgement of Subscription**

**3.1** To subscribe for Preferred Units, Subscriber should complete and execute two originals of this Subscription Agreement. The two executed originals of the Subscription Agreement must be sent to both (i) the Registrar and Transfer Agent, and (ii) the Management Company so that they are received at the address, fax number and/or e-mail address stated above. The executed originals or fax copy or PDF file attachment by e-mail must be received by the Management Company on or before 22 December 2009 (the "**Subscription Date**"). Subscriber may also return the signed documents by fax or by e-mail on or before 22 December 2009. If Subscriber faxes or e-mails this Subscription Agreement on or before 22 December 2009, Subscriber must promptly thereafter still send two executed originals of this Subscription Agreement to the Management Company at its physical address above promptly thereafter, together with hard copies to the Registrar and Transfer Agent at its address above.

**3.2** The Management Company will acknowledge receipt of the Subscription Agreement unless the transfer of the Auctioned PSRs to the Subscriber has not been validly made and/or accepted by the Management Company in compliance with the conditions set out in the Management Regulations and this Subscription Agreement or the Subscription Agreement has not been duly filled out.

**3.3** This subscription shall be acknowledged, subject to clause 3.2, by the Management Company by countersigning this Subscription Agreement.

- 3.4 Upon execution of this Subscription Agreement, each Subscriber shall be irrevocably bound by this Subscription Agreement and the Management Regulations.

#### **4 Payment of Subscription Amount**

- 4.1 In respect of any subscription for Preferred Units, the full Subscription Amount shall be payable in Euro by wire transfer of same-day funds on or before 22 December 2009 to the account specified in Exhibit 2 to (or such other account notified by the Management Company to Subscriber).
- 4.2 Subscriber will promptly provide to the Management Company or its designees all information which the Management Company may reasonably request in order to comply with Luxembourg laws and regulations relating to money laundering and all applicable securities laws.

#### **5 Issuance of Units**

Upon valid acceptance of the Subscription Agreement and full payment of the Subscription Amount, the Management Company shall cause to be issued according to the timeline set out in the prospectus dated 13 November 2009 such number of fully paid Preferred Units as set out in Exhibit 2, to be delivered in certificated form in accordance with Exhibit 1.

#### **6 Representations, Warranties, Acknowledgements and Agreements of Subscriber**

- 6.1 The Management Company, PEPR and Morgan Stanley & Co. International plc, as sole underwriter (the "**Underwriter**") are relying upon certain exemptions from various laws and regulations (including, among others, United States securities laws) which depend upon the identity and characteristics of Subscribers. Accordingly, Subscriber hereby represents, warrants and acknowledges for the benefit of the Management Company, PEPR and the Underwriter as of the date hereof and the date it pays the Subscription Amount that it is aware and understands that:

- 6.1.1 the Management Company, PEPR and the Underwriter are relying upon the representations, warranties and agreements of Subscriber in this Subscription Agreement and accordingly such representations and warranties shall survive 22 December 2009;
- 6.1.2 there are risks related to the purchase of the Preferred Units including, without limitation, those summarised in the Prospectus under "*Risk Factors*" and elsewhere;
- 6.1.3 no government authority of Luxembourg, the United States of America or any jurisdiction has passed judgement upon the Preferred Units made any finding or determination as to the fairness of an investment in the Preferred Units, the terms of the Offering or the adequacy of the disclosure made to Subscriber; and
- 6.1.4 the discussion of any tax consequences arising from an investment in the Preferred Units set forth in the Prospectus is general in nature and the tax consequences to Subscriber of an investment in the Preferred Units depend on Subscriber's unique circumstances and, accordingly, Subscriber should seek its own tax advice.

- 6.2 Subscriber has reviewed the Prospectus, the Management Regulations and this Subscription Agreement in relation to the Preferred Units and has conducted its own investigation with respect to PEPR and the Preferred Units and has received all information that it believes is necessary or appropriate in connection with the purchase of the Preferred Units. The Subscriber has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Preferred Units. The Subscriber has the ability to bear the economic risk of its investment in the Preferred Units, has adequate means of

providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Preferred Units, and is able to sustain a complete loss of its investment in the Preferred Units. No statement or printed material which is contrary to or which has not been superseded by the Prospectus, the Management Regulations or this Subscription Agreement has been relied upon by Subscriber in making its decision to subscribe for Preferred Units. Subscriber has relied on its own investigation of PEPR and understands that no representation or warranty is being made or given by or on behalf of the Management Company, PEPR, the Underwriter or any other person.

- 6.3** Subscriber represents and warrants that it shall not undertake hedging activities, such as short selling Ordinary Units of the Company, nor induce the sale of Ordinary Units of the Company, nor enter into put options or call options or any other hedging derivatives transactions relating to Ordinary Units, nor carry out any other similar transaction for its own account, before the Subscription Date, with the objective or effect of reducing or hedging its Preferential Subscription Rights or, if exchanged and purchased, corresponding Preferred Units.
- 6.4** Subscriber represents and warrants that: (i) (if Subscriber is not a natural person) it is duly organised, validly existing and in good standing under the laws of the jurisdiction in which it was formed; (ii) it has all requisite power and authority to invest in the Preferred Units, as provided herein; (iii) such investment will not result in any material violation of or conflict with (x) (if Subscriber is not a natural person) any term of the charter or by-laws of Subscriber or any other organisational document or (y) any instrument by which it is bound or any law or regulation applicable to it; (iv) such investment has been duly authorised by all necessary action on behalf of Subscriber; and (v) this Subscription Agreement has been duly executed and delivered on behalf of Subscriber and constitutes a legal, valid and binding agreement of Subscriber enforceable against Subscriber in accordance with its terms.
- 6.5** All information which Subscriber has provided to the Management Company contained in this Subscription Agreement is correct and complete as of the date hereof and may be relied upon, and if there should be any material change in such information prior to its subscription being accepted, Subscriber will immediately provide the Management Company with notice of such change.
- 6.6** Subscriber's address listed herein is Subscriber's principal place of business and the only jurisdiction in which an offer to sell the Preferred Units, if any, was made to Subscriber.
- 6.7** Subscriber acknowledges that if it does not pay the Issue Price for the Preferred Units subscribed prior to the end of the Exercise Period, the Subscription by the Subscriber shall be deemed null and void and the Preferential Subscription Rights of the Subscriber shall be deemed unexercised.
- 6.8** Subscriber understands and acknowledges that the Preferred Units are being offered in a transaction not involving any public offering in the U.S. within the meaning of the Securities Act, that the Preferred Units have not been and will not be registered under the Securities Act and are being offered and sold to the purchaser in a transaction exempt from the Securities Act. The Subscriber is purchasing Preferred Units for investment purposes and not with a view to resale or distribution within the meaning of the U.S. securities laws. Furthermore, Subscriber will make no directed selling efforts in the U.S. with respect to the Preferred Units. The terms "U.S. person", "offshore transaction" and "directed selling efforts" have the meanings set forth in Regulation S.
- 6.9** Subscriber, if a U.S. Person or a person located and purchasing within the United States represents and warrants as follows:

- 6.9.1 It is (i) is an Accredited Investor and/or a Qualified Institutional Buyer (or QIB) (within the meanings of Regulation D and Rule 144A, respectively, under the Securities Act and (ii) is acquiring the Preferred Units for its own account or for the account of a QIB with respect to which it exercises sole investment discretion.
- 6.9.2 It confirms that each of it and such account, if any, for which it is purchasing the Preferred Units was not formed for the specific purpose of acquiring the Preferred Units. If either the purchaser or such account is a “dealer” described in Rule 144A(a)(1)(ii) under the Securities Act, the purchaser confirms that it or any such account, if any, owns and invests on a discretionary basis at least \$25 million in securities of issuers that are not affiliated with it or such account, as the case may be. If either the purchaser or any such account is a “plan”, “employee benefit plan” or a “trust fund” that holds the assets of such a plan (each as described in Rule 144A(a)(1) under the Securities Act), the plan beneficiaries do not make investment decisions with respect to the plan.
- 6.9.3 It acknowledges that for as long as the Preferred Units or Ordinary Units issuable upon conversion are “restricted securities” for U.S. federal securities law purposes, they may not be deposited into any depository receipt facility / bank.
- 6.10 Subscriber agrees that it will not offer or transfer Preferred Units other than in accordance with securities laws of applicable jurisdictions including, without limitation, the Securities Act and any applicable securities laws of any State of the United States. Subscriber further agrees to ensure that any such transfer of the Preferred Units complies in all respects with the transfer restrictions described in the Prospectus and in the Management Regulations, including that it will not resell or transfer any Units (including Ordinary Units issuable upon conversion), except outside the U.S. in an offshore transaction pursuant to Regulation S.
- 6.11 Subscriber understands that any certificated Preferred Unit, or Ordinary Unit issuable upon conversion, issued to Subscribers in the United States will bear a legend substantially to the following effect:
- “THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR, EXCEPT AS SET OUT IN THE PROSPECTUS (THE "**PROSPECTUS**") OF PROLOGIS EUROPEAN PROPERTIES ("**PEPR**"), THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT (X) IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S AND (Y) (1) UPON DELIVERY OF ALL CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT PEPR MAY REQUIRE AND (2) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THIS SECURITY MAY BE MADE THAT WOULD RESULT IN THE ASSETS OF PEPR CONSTITUTING "PLAN ASSETS" WITHIN THE MEANING OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT ARE SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"). EACH PURCHASER OR TRANSFEREE OF THIS SECURITY WILL BE REQUIRED TO REPRESENT, OR WILL BE DEEMED TO HAVE REPRESENTED, THAT (i) IT IS NOT AND IS NOT USING ASSETS OF A PLAN THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE AND (ii) IF IT IS A "QUALIFIED INSTITUTIONAL BUYER" OR AN "ACCREDITED

INVESTOR" THAT IT WILL BE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE PROSPECTUS AND MANAGEMENT REGULATIONS. THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE PROSPECTUS TO THE TRANSFEREE."

- 6.12** Subscriber, if located and purchasing Preferred Units outside the United States, under Regulation S certifies that Subscriber is not a U.S. person (as defined in Regulation S) and is not acquiring the Preferred Units for the account or benefit of any U.S. person.
- 6.13** Subscriber understands and acknowledges that the Management Company and the Registrar and Transfer Agent may refuse to register any Preferred Units not made in accordance with Regulation S or otherwise pursuant to the restrictions in the Management Regulations. Subscriber understands that no transfer of a Preferred Unit or Ordinary Units issuable upon conversion will be effective, and PEPR will not recognise any such transfer to an ERISA Plan as more fully set forth in the section "ERISA Considerations" in the Prospectus.
- 6.14** Subscriber acknowledges that, if at the time of resale by it of any Preferred Units under Regulation S, it is an affiliate of PEPR, such resale must comply with the provisions of Rule 903 of Regulation S which requires, among other things, that at the time the buy order is executed the buyer is outside the United States or the seller and any person acting on its behalf reasonably believe that the buyer is outside the United States.
- 6.15** Subscriber understands and acknowledges that information regarding Subscriber's name, address, ownership interest and distributive share of Fund items, as well as information regarding PEPR itself may be subject to disclosure to the United States Internal Revenue Service.
- 6.16** The Subscriber agrees (i) that if it breaches any covenant contained herein or makes any misrepresentation herein PEPR, the Management Company or the Underwriter may require the purchaser to sell its Preferred Units or Ordinary Units issuable upon conversion to PEPR or a person designated by PEPR at the subscription price, (ii) that PEPR, the Management Company and their affiliates will be entitled to rely on the representations, warranties and agreements made by the Subscriber. Subscriber will hold in confidence and not distribute to any other person the Prospectus or any other materials provided in connection with the subscription for Preferred Units.

## **7 Governing Law**

This Subscription Agreement shall be construed in accordance with and is governed by the laws of Luxembourg.

## **8 Entire Agreement and Amendments**

This Subscription Agreement constitutes the entire agreement between the Subscriber and parties hereto with respect to the subject matter hereof and may be amended only in writing which is executed by Subscriber and the Management Company.

## **9 Severability**

Insofar as possible, each provision of this Subscription Agreement shall be interpreted so as to render it valid and enforceable under applicable law and severable from the remainder of this Subscription Agreement. A finding that any such provision is invalid or unenforceable in any

jurisdiction shall not affect the validity or enforceability of any other provision or the validity or enforceability of such provision in any other jurisdiction.

## **10 Notices**

Any notice or notification in any form to be given under this Subscription Agreement must be in writing and may be delivered in person or sent by facsimile addressed to

- (a) the Management Company at 34-38 Avenue de la Liberté, Luxembourg L-1930, Fax No.: +352 26 20 5744, Attention: Peter Cassells (pcassells@prologis.com);
- (b) the Registrar and Transfer Agent at 14, Porte de France, L-4360 Esch-sur-Alzette, Fax No.: +352 2460 9500, Attention: Yvan Porté; and
- (c) to any Subscriber at the address or facsimile number specified below the signature of such Subscriber at the end of this Subscription Agreement.

Any such notice shall take effect, in the case of delivery, at the time of delivery and, in the case of facsimile, at the time of despatch if within the normal business hours of the recipient and otherwise at the next commencement of the recipient's normal business hours.

## **11 Execution in Counterparts**

This Subscription Agreement may be executed in any number of counterparts, each of which so executed and delivered shall be deemed an original. Each party hereto shall execute two such counterparts or two originals. It shall not be necessary in making proof of this Subscription Agreement to produce or account for more than one counterpart.

## **12 Further Assurances**

Subscriber, by executing this Subscription Agreement, agrees that it will take such actions and execute such further documents as the Management Company may reasonably request from time to time in order to carry out the purposes of this Subscription Agreement and the Management Regulations.

## **13 Submission to Jurisdiction**

Each of Subscriber and the Management Company irrevocably submits, for the purposes of proceedings relations to this Subscription Agreement, to the non-exclusive jurisdiction of the courts of Luxembourg City in the Grand Duchy of Luxembourg.

This Subscription Agreement is made as of the date stated below by Subscriber.

Dated \_\_\_ December 2009

By: \_\_\_\_\_

(Subscriber's Name)

Name: \_\_\_\_\_

(Authorised Signatory)\*

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

\* A list of authorised signatories with specimen signatures will have to be provided to the Registrar and Transfer Agent together with this Subscription Agreement.

The Management Company hereby accepts the offer of Subscriber to acquire the Preferred Units as set out in Exhibit 1 and acknowledges the subscription set forth in this Agreement.

Dated \_\_\_ December 2009

ProLogis Management S.à r.l.  
for and on behalf of  
ProLogis European Properties

By:

Name:

(Authorised signatory)

**EXHIBIT 1**

**Subscriber's  
Legal Name:** \_\_\_\_\_

**U.S Taxpayer  
ID (if a U.S  
Subscriber)** \_\_\_\_\_

**Subscriber's  
Address:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**E-mail  
Address:** \_\_\_\_\_

Number of Auctioned PSRs \_\_\_\_\_ (A)

Ratio of Auctioned PSRs to Preferred  
Units  
*(divide (A) by 37)* \_\_\_\_\_ (B)

Maximum number of Auctioned PSRs  
*(round (B) down to nearest whole number)* \_\_\_\_\_ (C)

Maximum possible number of Preferred  
Units to be subscribed for  
*(multiply (C) by two)* \_\_\_\_\_ (D)

Number of Preferred Units subscribed for \_\_\_\_\_ (E)

Issue Price per Preferred Unit €5.93 (F)

Subscription Amount  
*((E) multiplied by (F))* € \_\_\_\_\_

**EXHIBIT 1, continued**

**Subscriber's account details**

Name of Bank: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Swift-Code: \_\_\_\_\_  
Name of Account: \_\_\_\_\_

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**Settlement Information** (Please provide information for the appropriate party to contact regarding Preferred Unit settlement.)

**Contact:** \_\_\_\_\_ **Contact Address:** \_\_\_\_\_  
**Company:** \_\_\_\_\_  
**Telephone:** \_\_\_\_\_  
**Fax:** \_\_\_\_\_  
**E-mail Address:** \_\_\_\_\_

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Subscribers should send two duly completed and executed originals of this Subscription Agreement (including a fax copy or PDF file attachment by email) to (i) the Registrar and Transfer Agent and (ii) the Management Company, at the address, fax number and/or email address stated above. The executed originals or fax copy or PDF file attachment by email must be received by the Management Company on or before 22 December 2009. For the avoidance of doubt, if Subscriber faxes or emails this Subscription Agreement on or before 22 December 2009, Subscriber shall still be required to send two executed originals of this Subscription Agreement to the Management Company at its address stated above promptly thereafter, together with a copy to the Registrar and Transfer Agent at its address stated above promptly thereafter.

**EXHIBIT 2  
WIRE TRANSFER INSTRUCTIONS**

**NOTE FOR ALL WIRES**

All funds should be wired using the following instructions:

Intermediary bank:	Bank of America, London
Swift-Code:	BOFAGB22
Beneficiary Bank:	RBC Dexia Investor Services Bank S.A.
Swift Code:	FETALULL
Account Number:	LU 39 3411 5800 5266 0100
Name of Account:	PROLOGIS – COLLECTION ACCOUNT
Subscriber's Name:	[to be indicated in wire instruction]