



HAMET & LORGEOUX AVOCATS

Cabinet d'avocats 100% dédié à la défense
des propriétaires en résidences gérées

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To the attention of Pierre & Vacances owners

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N/Ref.: Owners PIERRE and VACANCES - Conciliation

Madam, Sir,

You are a PIERRE & VACANCES owner and you seek information.

As you know, on the 2nd of February, Pierre Et Vacances requested and obtained the opening of a Conciliation Procedure to frame a negotiation on unpaid rents linked to the Covid crisis.

➤ The legal framework for conciliation

This is a negotiation that is "imposed" judicially in an attempt to avoid bankruptcy.

Governed by the Code of commerce, it consists of involving a Conciliator who is tasked by the Tribunal to try to find a negotiated solution to the debt management of a company that is experiencing difficulties.

It immediately has the important consequence of the interruption of the **legal proceedings**.

Pierre Et Vacances cannot now be ordered by a judge to pay his rents during the entire conciliation period, i.e. for an initial period of 4 months which he will technically be able to obtain an extension until at least October 2021, which we think is more than likely.

The role of the conciliator throughout this period will be to seek an **amicable agreement** with the main creditors of Pierre Et Vacances (shareholders, banks, state agencies for social and tax debts, owners, etc.). and, incidentally, to make proposals for its operation.

If the negotiation is successful, it will give rise to a **conciliation agreement** that can be approved by the Commercial Court: this agreement will arrange the debts of Pierre Et Vacances and the activity can then continue as normal.

If the negotiation fails (evening because too few donors participate, i.e. no agreement is reached), the risk of a bankruptcy filing of Pierre Et Vacances will then be very real.

A bankruptcy filing could have significant consequences for owners.

They could thus be forced to have their rent arrears accumulated (the unpaid 2020 and the future unpaid in 2021) cleared over a period of up to 10 years, the largest share of which is only settled at the end of 2032 or 2033.

In addition, residences could be abandoned, and the leases simply terminated, which would greatly and probably have a lasting impact on the value of their investment.



Mandataires en transactions immobilières - Membres de l'Association des Avocats Mandataires en Transactions Immobilières (AAMTI)



The next few months will therefore be important for each owner.

➤ Our role

Our role is exclusively to **defend the interests of owners**: other creditors and other conciliation parties will have their own lawyer.

This negotiation, however, requires us to consolidate as broadly as possible from owners who must form as strong "blocks" of negotiation as possible around expressly mandated representatives such as our cabinet.

Our mission will be to seek and obtain them the **best draft agreement** that it would appear possible to find with all the parties taking part in the conciliation but you will then retain the **freedom** to subscribe to it, **this decision belongs only to them**.

To ensure that you are not taken for the crisis adjustment variable, our mission will be to:

- Obtain and analyze financial, economic and legal data of the situation of Pierre Et Vacances;
- Consider what may be proposed to you only in consideration of the above and whether it is duly justified, limited to the strict necessity and that it ensures the sustainability of your investment;
- Be vigilant at the same time about the efforts and commitments of other creditors (banks, states, shareholders, etc.);
- Try to obtain consideration (e.g., compensation for legal fees, possible improvement of the terms of your lease or extension of its current duration, etc.);
- Ensure regular and individual communication at each milestone or milestone in the progress of the negotiations; a customer space will be set up to make it easier for you to track your file (our communications, your invoice, etc.).
- Intervening in the contractual drafting of the agreement
- Ensure, *in retrospect*, a check of its execution by Pierre Et Vacances and all other parties

➤ Our experience

Our firm was born out of our desire to create a law pool to concentrate all our expertise acquired, for years, in the service of private investors in the field of managed residences.

Our activity is dedicated, whether in consulting or in court, to the exclusive defense of owners and their investments.

However, it is not limited to unpaid rents as we also intervene on many other subjects such as: delayed delivery, rent review, lease renewal or termination, change of lease, change of operator, self-management, construction disorders and faults, work and maintenance of residences, condominiums, ASL and AFUL, resale, etc.

And of course, we have mastered the area of judicial conciliation.

In the autumn, we intervened in the open **conciliation for another major operator** who was also **facing the health crisis**: it concerned nearly 10,000 owners, of whom more than 2500 were represented by our firm, placing us in fact as the law **firm of the first and main bloc** of the owners **represented in this conciliation**.

We believe we can say that our intervention was a success and gave satisfaction to the owners concerned since this negotiation has enabled us to obtain, despite the continuing health crisis, an agreement on rents with a resumption of payments having already received the **support of more than 80% of all the owners, even up to 97% of those who had mandated us**.



That is why we believe we can meet the challenge of this new conciliation with *Pierre Et Vacances* with all the experience, involvement and methodology that this requires to bring it to an end and in the best interests of the donors.

Nevertheless, it is important and even essential to defend your investment to come forward and mobilize collectively now to bring out massive representatives for this conciliation.

Do not be passive as the position of doing nothing and observing can quickly prove to be a very bad option.

We therefore invite you to join the negotiating bloc that we already represent and to give us your confidence in defending your interests in the context of this conciliation.

This mandate thus offers you the opportunity to participate formally, through our intermediaries, in conciliation, to follow and understand its progress and, if necessary, to bring back your particular problems so that we can, if they can, take them into account in the negotiations.

Its flat-rate cost, payable per provision at the signing of the mandate and covering the entire negotiating mission, is 80 euros HT (or 96 euros TTC for subjecting VAT) at the signing of the mandate.

In the end, but only if successful and therefore if you decide to sign the agreement that we have been able to negotiate because it satisfies you, a result fee of 50 euros HT (60 euros if VAT) will then be collected.

No other fees are to be expected, this is an all-inclusive package. We will, of course, try, as in other previous cases, to obtain compensation in the negotiations that will partially or completely cover these amounts.

You will find, with the link below, **our mandate to mission our law firm and join all the owners we represent:**

MANDATE IN ENGLISH

The grouping of owners is fundamental to the resolution of the crisis, we can only encourage you to exchange on this subject with the other owners *Pierre Et Vacances* that you know and relay this communication to them as well as to the collectives or associations with whom you might be in contact.

If they need more information, they can contact us (contact@hl-avocats.com) to allow us to answer their questions.

As soon as a collective is created around you, do not hesitate to contact us to organize an interactive video conference of questions and answers about conciliation and our action.

Finally, we must draw your attention to the fact that, despite the wide publicity surrounding this conciliation, we are (i.e. you, the creditors concerned, and we lawyers) subject to a strict obligation of **confidentiality** arising from Article L 611-15 of the Code of Commerce.

Best regards,

Nathalie HAMET / François LORGEOUX
Lawyers at the Court

