

**To: Bucharest Stock Exchange
Romanian National Securities Commission**

The current report according to Art. 113 point A, paragraph (1) letter j) of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and completed, as well as the provisions of art. 99 in the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

Update on all litigations between a Litigant shareholder and Fondul Proprietatea SA (the “Fund”)

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“FTIML Bucharest Branch / The Fund Manager”), in its capacity as Sole Administrator and Fund Manager of the Fund, would like to update shareholders and investors on all cases between a minority shareholder, Ioana Sfiraiala (the “Litigant”) and the Fund, as set out in the table attached as an Annex to this report.

In particular, the Fund Manager would like to inform investors and shareholders that, on 7 February 2013, the Bucharest Court announced that:

1. In file no. 46756/3/2012 it ruled in favour of the Fund, rejecting the request of intervention filed by the Litigant and approving the registration with the Trade Register of the Fund’s GSM Resolution no. 16/23 November 2012 regarding the re-adoption of all EGM Resolutions issued between 6 September 2010 and 23 November 2012;
2. In file no. 46759/3/2012 it ruled against the Fund, rejecting the mentioning with the Trade Register of the Fund’s GSM Resolution 29/23 November 2012 regarding the ratification of the termination of the mandates of the former Directorate and former Supervisory Board. The Fund has not yet received any official documents from the Bucharest Court regarding the Court’s decision in this file; once this is available, the Fund Manager will carefully consider the Court’s reasoning and what further legal steps may be

Report date:

8 February 2013

Name of the issuing entity:

S.C. Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti St.,
7th floor, district 1,
Bucharest, postal code 011017

Phone/fax number:

Tel.: + 40 21 200 9600

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**Sole Registration Code with the
Trade Register Office:**

18253260

**Order number in the
Trade Register:**

J40/21901/2005

Subscribed share capital:

RON 13,778,392,208

Paid share capital:

RON 13,412,803,666

**Regulated market on which the
issued securities are traded:**

Bucharest Stock Exchange

appropriate and update shareholders accordingly. However, we would want to underline that on 23 January 2013 the Bucharest Court ruled in the favor of the Fund and approved the registration of the OGM Resolution no. 30/23 November 2012 regarding the re-adoption of the termination of the mandates of the Supervisory Board and Directorate (*i.e.* file 46751/3/2012).

The Fund Manager will continue to update shareholders and investors of any further material developments in these files, and will continue to vigorously defend the interests of the Fund and all of its shareholders.

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, acting as Sole Administrator on behalf of S.C. FONDUL PROPRIETATEA S.A.

Adrian CIGHI
Legal Representative

Crt.	File number	Court	The object of the court file	Status	Next hearing
1.	File no. 15966/3/2012	Bucharest Court	Blocking the registration of: <ul style="list-style-type: none"> - the Fund's Ordinary General Shareholders Meeting (OGM) Resolution no. 13 of 25 April 2012 for the ratification of all OGM resolutions approved during 6 September 2010 – 24 April 2012 (other than Resolutions no. 8 and 9 of 6 September 2010); - OGM Resolution no. 14 of 25 April 2012 for the adoption of all OGM resolutions approved during 6 September 2010 – 24 April 2012 (other than resolution 8 and 9 of 6 September 2010), - OGM Resolution no. 15 of 25 April 2012 for the ratification of the Investment Management Agreement. 	Ongoing. On 3 December 2012 Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 15966/3/2012 supporting the position of the Fund and asking the court to reject the Litigant's request. On 3 December 2012 the Litigant asked the Court to send this file to the judge managing file no. 15961/3/2012 in order to join these two files. On 11 December 2012, the Court rejected the request for joining the files. On 17 December 2012, the Litigant filed a request of recusal against the judge. On 7 January 2013, the request of recusal was rejected. On 14 January 2013, the Litigant filed another request of recusal. The hearing for the solving of the recusal request was set for 28 January 2013, when the Court annulled the recusal request for the non-payment of the stamp duty. The next hearing in this case has been set for 1 February 2013. The hearing on 1 February 2013 was the last one in this case – the issuance of a decision was postponed for 8 February 2013.	8 February 2013
2.	File no. 46288/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the mentioning of EGM Resolution no. 14 of 23 November 2012 for the ratification of the Constitutive Act.	Ongoing. On 10 January 2013, the Court set a new hearing for 24 January 2013. Dan Cristian Barbulescu and Tache Cornelia filed requests of intervention in this file for supporting the Litigant. On 24 January 2013 the Litigant filed a recusal request. A new hearing has been set for 8 February 2013.	8 February 2013
3.	File no. 46754/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking of the mentioning of OGM Resolution no. 31/2012 approved on 23 November 2012 - the ratification of the appointment of the members of Board of Nominees.	Ongoing. On 10 January 2013, the Court set a new hearing for 24 January 2013. Tache Cornelia filed a request of intervention in this file for supporting the Litigant. On 24 January 2013 the Litigant filed a recusal request. A new hearing has been set for 8 February 2013.	8 February 2013

4.	File no. 7171/3/2012	Bucharest Court	The Litigant asked the Court to convene the General Shareholders Meeting of the Fund for: <ul style="list-style-type: none"> - Approval of the annual financial statements for 2010 and 2011; - Presenting the Annual Report of the Directorate for 2010 and 2011; - Presenting the Audit Report for 2010 and 2011; - Approving the Fund's budget for the financial years 2010 and 2011; - Completing the statutory number of members of the Supervisory Board of the Fund; - Approving the net profit allocation for 2011 and setting the gross dividend for 2011; - Approving setting a registration date. 	Ongoing. On 3 December 2012, the Litigant informed the Court that she is challenging Fondul Proprietatea, The Romanian State represented by the Ministry of Public Finance, The Romanian Government and The National Securities Commission (CNVM) without filing any supporting documents in this respect. Considering the Litigant's request, the Court postponed the hearing for 14 January 2013 in order to give time to all Defendants to prepare their papers. On 14 January 2013 the court set a new hearing in this file for 11 February 2013.	11 February 2013
5.	File no. 26253/3/2012	Bucharest Court of Appeal	Blocking the registration of OGM Resolution no. 22/2012 approved on 27 June 2012 - the approval for hiring independent evaluators for NAV calculation.	Decision in favour of the Fund. On 11 December 2012 the Bucharest Court ruled in the favour of the Fund. The Litigant filed an appeal. At the first hearing on 15 January 2013 the trial was postponed for 12 February 2013 due for procedural reasons.	12 February 2013
6.	File no. 46755/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 31/2012 approved on 23 November 2012 - the ratification of the appointment of Board of Nominees members.	Ongoing. On 18 December 2012 the hearing was postponed because Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant. On 8 January 2013, Tache Cornelia filed a request of intervention. The Court postponed the hearing for procedural reasons. On 22 January 2013 the Litigant filed a request for the re-examination of the stamp duty set for Tache Cornelia. On 5 February 2013 was the last hearing in this case, and the court is expected to issue a decision on 12 February 2013.	12 February 2013
7.	File no. 46290/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 25/2012 approved on 23 November 2012 - the ratification of the appointment FTIML Bucharest Branch as Sole Administrator of the Fund.	Ongoing. The hearing was postponed because the Litigant requested the re-examination of the stamp duty. In January 2013, Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 46290/3/2011 supporting the position of the Fund and asking the court to reject the	12 February 2013

				claim of the Litigant. On 8 January 2013, the Litigant filed a recusal request against the judge managing the file and the file was sent to panel C28 in order to settle the recusal request. The Court set the hearing for solving the recusal request for 25 January 2013, date when the recusal request was rejected. A new hearing in this file has been set for 5 February 2013. On 5 February 2013 it was the last hearing and the Court is expected to issue a decision in this case. The Court postponed the issuance of a decision in this case for 12 February 2013.	
8.	File no. 15961/3/2012	Bucharest Court of Appeal	Blocking the registration of: <ul style="list-style-type: none"> - OGM Resolution no. 16 of 25 April 2012 for the adoption of the Investment Management Agreement. - OGM Resolution no. 17 of 25 April 2012 for the ratification of all the legal acts concluded by FTIM Bucharest Branch as Sole Administrator of Fondul Proprietatea S.A. during 6 September 2010 – 24 April 2012, - OGM Resolution no. 18 of 25 April 2012 for the adoption of all the legal acts concluded by FTIM Bucharest Branch as Sole Administrator of Fondul Proprietatea S.A. during 6 September 2010 – 24 April 2012. 	Decision in favour of the Fund. On 11 December 2012 the Bucharest Court ruled in the favour of the Fund. The Litigant filed an appeal. On 16 January 2013 the Bucharest Court of Appeal set a new hearing in this file for 13 February 2013.	13 February 2013
9.	File no. 15963/3/2012	Bucharest Court of Appeal	Blocking the registration of: <ul style="list-style-type: none"> - OGM Resolution no. 9 of 25 April 2012 for the approval of the Annual Activity Report of the Sole Administrator for the year 2011 and the financial statements for the year 2011, - OGM Resolution no. 10 of 25 April 2012 for the approval of the dividend distribution for the financial year 2011, - OGM Resolution no. 11 of 25 April 2012 for the ratification of Resolutions 8 and 9 of 6 September 2010, - OGM Resolution no. 12 of 25 April 2012 for the adoption of Resolutions 8 and 9 of 6 September 2010. 	Ongoing. Decision in favour of the Fund. On 23 October 2012 the Bucharest Court ruled in favour of the Fund and ordered the registration with the Trade Register of OGM Resolutions no. 9, 10, 11 and 12 of 25 April 2012. The OGM Resolutions no. 9, 10, 11 and 12 of 25 April 2012 have not been registered with Trade Register by the date of this report because the original file was not sent back to Trade Register. The Litigant appealed the decision. On 17 January 2013 the court set a new hearing in this file, due for procedural reasons, for 14 February 2013.	14 February 2013

10.	File no. 46287/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the registration of EGM Resolution no. 12 of 23 November 2012 for the extension of the deadline for the secondary listing.	Ongoing. On 6 December 2012 the Court postponed the hearing for 17 January 2013. On 17 January 2013 the Court decided to join the file no. 46292/3/2012 to this file (i.e. 46287/3/2012) and set a new hearing for 31 January 2013. On 31 January 2013 the trial was postponed, for procedural reasons, for 14 February 2013.	14 February 2013
11.	File no. 11640/299/2011	Bucharest 1st District Court	The Fund started the case for recovering the legal fees.	Ongoing. On 13 December 2012, the Court set a new hearing on 31 January 2013. On 31 January 2013 the Court set a new hearing in this case for 14 February 2013.	14 February 2013
12.	File no. 46761/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the mentioning of OGM Resolution no. 36 dated 23 November 2012 regarding the re-adoption of all legal acts.	Ongoing. In January 2013, Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 46761/3/2011 supporting the position of the Fund and asking the court to reject the claim of the Litigant. On 10 January 2013, the Court set a new hearing for 7 February 2013. On 7 February 2013 was the last hearing and the Court postponed the issuance of a decision for 14 February 2013.	14 February 2013
13.	File no. 46291/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the registration of OGM Resolution no. 26 of 23 November 2012 for the reappointing FTIML Bucharest Branch as Sole Administrator of the Fund.	Ongoing. During the first hearing the Litigant filed a request of recusal against the judge. On 11 December 2012 the request of recusal was dismissed. On 21 December 2012, the Litigant filed again a request of recusal and the parties will be notified again. In January 2013, Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 46291/3/2011 supporting the position of the Fund and asking the court to reject the claim of the Litigant. On 22 January 2013 the court rejected the request of recusal filed by the Litigant and applied her a fine of 500 RON. The next hearing was set for 31 January 2013. On 31 January 2013 the Litigant filed another recusal request, rejected by the Court. A new hearing has been set for 14 February 2013.	14 February 2013

14.	File no. 26254/3/2012	Bucharest Court of Appeal	Blocking the registration of EGM Resolution no. 11 / 2012 approved on 27 June 2012 – the approval of the secondary listing plan.	Ongoing. On 26 September 2012, the Court rejected the Litigant's arguments but ruled against the Fund on the grounds that the Fund had used the wrong Trade Register form for registration. However, this form was specified by the Trade Register. On 12 October 2012, the Fund appealed the Court's decision in order to resolve the apparent conflict between the interpretation of the Court and the Trade Register. The Bucharest Court of Appeal set the first hearing on 22 January 2013. On 22 January 2013 the Court set a new hearing for 19 February 2013.	19 February 2013
15.	File no. 46750/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 28/2012 approved on 23 November 2012 – the re-adoption of the Management Agreement.	Ongoing. On 8 January 2013 Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant. As per Litigant's request, the hearing was postponed in order for the Court to re-examine the stamp duty, re-examination which was rejected on 16 January 2013. On 22 January 2013 Tache Cornelia filed a request of intervention. The Court set a new hearing for 19 February 2013.	19 February 2013
16.	File no. 46753/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking of the mentioning of OGM Resolution no. 33/2012 approved on 23 November 2012 - the ratification of OGM Decisions.	Ongoing. On 19 December 2012 the hearing was postponed because Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant. On 9 January 2013, Tache Cornelia filed a request for intervention in this file. The court postponed the hearing for procedural reasons. On 23 January 2013 the Court rejected the request of intervention filed by Dan Cristian Barbulescu. On this hearing also, the Litigant filed a request for the re-examination of the stamp duty set for Tache Cornelia. On 6 February 2013 the Court postponed the trial for 20 February 2013 due for procedural reasons.	20 February 2013
17.	File no. 43424/3/2012	Bucharest Court	Request for annulment of GSM resolutions without mentioning the date when were approved, the number of the object.	At the first hearing on 10 January 2013, the Litigant further clarified her claim, in the sense that it targets the annulment of all GSM Resolutions as of 23 November	21 February 2013

18.	File no. 46752/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of EGM Resolution no. 15/2012 approved on 23 November 2012 - the ratification of EGM Decisions.	2012. Ongoing. The hearing was postponed because the Litigant requested the re-examination of the stamp duty. On 11 January 2013 Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant. The trial was postponed for procedural reasons. On 25 January 2013 the Court rejected the request of intervention filed by Dan Cristian Barbulescu. On this hearing also, the litigant raised a legality exception, with the Court being bound to issue a decision on this aspect. On 29 January 2013 the Court postponed the issuance of a decision on this exception for 1 February 2013. Nevertheless, the next hearing in this file has been set for 22 February 2013.	22 February 2013
19.	File no. 26251/3/2012	Bucharest Court of Appeal	Blocking the registration of OGM Resolution no. 19/2012 approved on 27 June 2012 - the approval of the secondary listing budget.	Ongoing. On 19 September 2012, the Court rejected Litigant's arguments but ruled against the Fund on the grounds that the Fund had used the wrong Trade Register form for registration. However, this form was specified by the Trade Register. On 12 October 2012, the Fund appealed the Court's decision in order to resolve the apparent conflict between the interpretation of the Court and the Trade Register. The Bucharest Court of Appeal set the first hearing on 25 January 2012. On 25 January 2013 the Court postponed the trial due for procedural reasons for 8 February 2013. On 8 February 2013 the Court postponed the trial for 1 March 2013, due for procedural reasons.	1 March 2013
20.	File no. 4499/3/2012	Bucharest Court	Challenging the EGM Resolution for modifying the Constitutive Act approved by shareholders on 23 November 2011.	Ongoing. On 6 November 2012, the Court sent the file to Panel 27 to verify if this file has the same object as file 77743/3/2011. In January 2013, Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 4499/3/2011 supporting the position of the Fund and asking the court to reject the	5 March 2013

				claim of the Litigant. On 8 January 2013, the Court postponed the hearing for procedural reasons.	
21.	File no. 15967/3/2012	Bucharest Court of Appeal	Blocking the registration of: - EGM Resolution no. 9 of 25 April 2012 for the ratification of the Fund's Constitutive Act with subsequent amendments, - EGM Resolution no. 10 of 25 April 2012 for the adoption of the Fund's Constitutive Act with subsequent amendments	Ongoing. Decision in favour of the Fund; Litigant has appealed. On 10 July 2012, the Bucharest Court ruled in favour of the Fund and ordered the registration with the Trade Register of EGM Resolutions no. 9 and 10 of 25 April 2012. The Litigant filed a request of correction of the decision for errors that was rejected by the Bucharest Court on 27 November 2012. The Litigant appealed the decision of the Bucharest Court. On 9 January 2013, the Litigant submitted additional documentation in supporting her appeal. On 6 February 2013 the Court postponed the hearing due for procedural reasons for 6 March 2013.	6 March 2013
22.	File no. 8541/3/2012	Bucharest Court	Challenging the convening notice for General Meeting of Shareholders organized for 25 April 2012. On 13 December 2012 the Litigant mentioned that intends to challenge the GSM Resolutions approved on 23 November 2012.	Ongoing. On 13 December 2012, the Court set a new hearing for 10 January 2013. At the hearing on 10 January 2013, the Litigant has further clarified her action in the sense that it targets the annulment of EGM Resolutions no. 1 and 2 as of 4 April 2012 and EGM Resolution no. 3 as of 25 April 2012. On 7 February 2013 the Court postponed the hearing, due for procedural reasons, for 7 March 2013.	7 March 2013
23.	File no. 43309/3/2012	Bucharest Court	Request for annulment of EGM Resolution no. 3 of 25 April 2012 for the decrease of the Fund's subscribed share capital and for changing the Constitutive Act.	Ongoing. On 11 January 2013 the hearing was postponed for 8 February 2013. On 8 February 2013 the Court decided to send this file to file no. 8541/3/2012 (for which the hearing is set for 7 March 2013).	7 March 2013
24.	File no. 43307/3/2012	Bucharest Court	Request for the annulment of GSM resolutions no. 1 and 2 of 4 April 2012 for approving the Fund's Constitutive Act.	At the first hearing on 18 January 2013 the file was sent to file 8541/3/2012 in order for the joining of file 43307/3/2012 to file 8541/3/2012 to be discussed. On 7 February 2013 the Court postponed the hearing, due for procedural reasons, for 7 March 2013.	7 March 2013
25.	File no. 18019/3/2012	Bucharest Court of	Blocking the registration of EGM Resolution no. 3 of 25 April 2012 for the approval of the share capital	Ongoing. On 9 October 2012, the Bucharest Court ruled against the Fund.	13 March 2013

		Appeal	decrease of SC Fondul Proprietatea SA	The facts of the case are similar to files no. 26251/3/2012 and 26254/3/2012. On 24 October 2012 the Fund appealed the court decision even if it has not received the full decision. On 5 December 2012, the Bucharest Court of Appeal postponed the hearing for 16 January 2013 as a result of the Litigant request. On 16 January 2013 the Litigant filed requests of recusal of the entire panel, as well as of the next panel. One of the requests of recusal was rejected on 21 January 2013. On 31 January 2013 the Court rejected the remaining recusal requests. The next hearing has been set for 13 March 2013.	
26.	File no. 40330/3/2012	Bucharest Court of Appeal	Request to erase the registrations with Trade Register made based on the EGM decisions 1, 2, 8 and 9 / 06.09.2010.	Decision against the Fund. On 17 December 2012 the Bucharest Court announced that it ruled against the Fund. The Fund appealed the decision on 17 December 2012. On 21 January 2013 the decision issued in this file was communicated to the Fund. The first hearing in this file was set for 19 March 2013.	19 March 2013
27.	File no. 3295/3/2012	Bucharest Court of Appeal	The Fund has not received the subpoena in this case. The Fund Manager identified this file on the webpage of the Bucharest Court and joined the hearing on 29 June 2012 in front of Bucharest Court, without receiving a subpoena for it. From comments at the hearing, it appears that the case was started for challenging the EGM Resolution for modifying the Constitutive Act approved by shareholders on 23 November 2011.	Ongoing. Litigant has appealed. On 29 June 2012, as a result of an administrative procedure, the Bucharest Court dismissed the request because the stamp duty was not fully paid. From the Bucharest Court of Appeal website we were informed that the Litigant appealed the decision. On 21 November 2012, the Court of Appeal admitted the appeal filed by the Litigant and sent the file back to the Bucharest Court in order to re-judge the file.	Pending
28.	File no. 31773/301/2012	Bucharest 3rd District Court	The Fund started the case for recovering some legal fees.	Ongoing. On 10 December 2012 the Bucharest 3rd District Court decided to send the file to Bucharest 1st District Court.	Pending
29.	File no. 40291/3/2012	Bucharest Court of Appeal	Challenging the registration of the request filed by the Litigant to the Trade Register asking to mention the request to erase the registrations with the Trade	On 18 December 2012 the Bucharest Court rejected the Litigant's request to add mentioning on the Trade Register of the	Pending

			Register made based on the Extraordinary General Meeting of Shareholders decisions no. 1, 2, 8 and 9 / 2010.	Court's decision in file 47039/3/2010 (relating to the annulment of the GSM resolutions 1, 2, 8 and 9 of 6 September 2010) and admitted the request for mentioning the fact that the Litigant filed a request for erasing the registrations made based on GSM Resolutions 1, 2, 8 and 9 of 6 September 2010. The Fund appealed the decision.	
30.	File no. 41466/3/2012	Bucharest Court of Appeal	Request of intervention filed by the Fund regarding the ex officio registration by the Trade Register of the decision issued in December 2011 by the Bucharest Court.	On 18 December 2012 the Bucharest Court announced that it rejected the request of intervention filed by the Fund in file no. 41466/3/2012 and decided to send the file back to the Trade Register in order to decide on the registration of the Courts' decisions issued in file 47039/3/2010 (relating to the annulment of the General Shareholders Meeting ("GSM") resolutions 1, 2, 8 and 9 of 6 September 2010). The Fund appealed the decision.	Pending
31.	File no. 46763/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 27/2012 approved on 23 November 2012 - the ratification of the Management Agreement.	Ongoing. On 11 January 2013 the hearing was postponed for 25 January 2013. Dan Cristian Barbulescu filed a request of intervention in this file for supporting the Litigant. On 25 January 2013, the Court annulled the intervention filed by Dan Cristian Barbulescu for the non-payment of the stamp duty. On this hearing also, the Litigant filed a warranty request for the judge solving the case to become a party into this file and act as a guarantor of the Litigant – the case was sent to the next panel as the judge abstained. On 5 February 2013 the Court admitted the abstain request of the judge; the file shall be awarded to a new panel.	Pending
32.	File no. 15964/3/2012	Bucharest Court	Blocking the registration of: - The EGM Resolution no. 4 of 25 April 2012 for the approval of the buy-back programme, - EGM Resolution no. 5 of 25 April 2012 for the ratification of EGM Resolutions 1 and 2 of 6	Ongoing. In November 2012 Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 15964/3/2012 supporting the position of the Fund and asking the	Pending

			<ul style="list-style-type: none"> - September 2010, - EGM Resolution no. 6 of 25 April 2012 for the adoption of Resolutions 1 and 2 of 6 September 2010, - EGM Resolution no. 7 of 25 April 2012 for the ratification of all the EGM Resolutions approved during 6 September 2010 – 24 April 2012 (other than EGM Resolutions no. 1 and 2 of 6 September 2010), - EGM Resolution no. 8 of 25 April 2012 for the adoption of all the EGM Resolutions approved during 6 September 2010 – 24 April 2012 (other than EGM Resolutions no. 1 and 2 of 6 September 2010). 	<p>court to order the registration of the shareholders decisions. Since 21 December 2012, the Litigant has filed seven repetitive requests of recusal against the judges. The date set for solving the recusal requests was set for 31 January 2013, date when one of the recusal requests was rejected and the Court imposed a fine of 700 RON to the Litigant. The recusal requests of the lower panels are to be solved as well.</p>	
33.	File no. 46757/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 32/2012 approved on 23 November 2012 - the re-adoption of the appointment of the members of Board of Nominees.	Ongoing. On 20 December 2012, the Court set a new hearing for 10 January 2013. On 10 January 2013, the Litigant filed a request of recusal against the judge and the file was sent to another panel in order for this request to be solved. Dan Cristian Barbulescu filed a request of intervention in this file for supporting the Litigant. On 1 February 2013 there was a hearing for the solving of the recusal request, date when the recusal request was rejected. A new hearing is to be set.	Pending
34.	File no. 7548/3/2011	Bucharest Court	Challenging the EGM Resolution for modifying the Constitutive Act approved by shareholders on 29 November 2010.	Ongoing. The Bucharest Court decided to suspend this file until the date when the file 40739/3/2010 is irrevocably solved. In November 2012 Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 7548/3/2011 supporting the position of the Fund and asking the court to reject the claim of the Litigant. On 19 November 2012, the Court decided to postpone the hearing in order to settle the recusal request filed by the Fund. Palade Van Dusen Georgia filed also a request of intervention in favour of the Fund in this file. On 21 January 2013 the court postponed the trial for procedural reasons for 4 February 2013. On 4 February 2013	Pending

35.	File no. 46762/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 35/2012 approved on 23 November 2012 - the ratification of all legal acts.	the Litigant filed a recusal request. Ongoing. On 20 December 2012, the Court set a new hearing for 10 January 2013. In January 2013, Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 46762/3/2011 supporting the position of the Fund and asking the court to reject the claim of the Litigant. On 10 January 2013 the Litigant filed a request for recusal against the judge. On 22 January 2013 the Litigant filed another request of recusal of the next panel. The hearing for solving the recusal request is set for 25 January 2013, date when one of the recusal requests was rejected. A new hearing in this file has been set for 5 February 2013 for solving the remaining recusal requests – on 7 February 2013 the Court announced that it has rejected the recusal request.	Pending
36.	File no. 3264/3/2013	Bucharest Court	Filed formed as a result of the splitting of the forced intervention request for the Trade Registry to be brought in the case filed by the Litigant in file no. 46288/3/2012.	The first hearing in this file has been set for 7 February 2013. On 7 February 2013 was the last hearing with the Court being expected to issue a decision in this file.	Pending
37.	File no. 46758/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking of the mentioning of OGM Resolution no. 34/2012 approved on 23 November 2012 - the re-adoption of OGM Decisions.	Ongoing. On 10 January 2013, the Court set a new hearing for 24 January 2013. On 24 January 2013 the Litigant filed a recusal request. On 4 February 2013 the Court rejected the recusal request. The next hearing has been set for 7 February 2013. On 7 February 2013 was the last hearing with the Court being expected to issue a decision in this file.	Pending
38.	File no. 2507/3/2013	Bucharest Court	Request for annulment filed by the Litigant against the GSM Resolution no. 5 as of 29 November 2010 (amendment of the Articles of Association, re-approval of the updated Articles containing the amendments brought through GSMs as of 6 September 2010 and 29 November 2010). On 29 January 2013 the Fund received the subpoena along with the annulment request above-mentioned.	The first hearing was set for 22 February 2013. Afterwards the hearing was changed for 8 February 2013. On 8 February 2013 the Court decided to send this file to file no. 7548/3/2011.	Pending
39.	File no. 46289/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the mentioning of EGM Resolution no. 13 of	Ongoing. During the first hearing the Litigant filed a request of recusal against	Pending

			23 November 2012 for the confirmation of the Constitutive Act.	the judge. On 19 December 2012, the request of recusal was rejected. On 11 January 2013 the hearing was postponed for 25 January 2013. On 25 January 2013, the Litigant filed a request of recusal against the judge. The next hearing is set for 8 February 2013. On 8 February 2013 was the last hearing and the Court is expected to issue a decision in this file.	
40.	File no. 42956/3/2012	Bucharest Court	Request filed by the Litigant asking for suspending EGM Resolution no. 5/29 Nov. 2010 and EGM Resolution no. 1/23 Nov. 2011, both for approving the Fund's Constitutive Act.	Decision in favour of the Fund. In November 2012 Manchester Securities, as a significant shareholder of the Fund, has filed a request of intervention in file 42956/3/2012 supporting the position of the Fund and asking the court to reject the Litigant's request. On 22 November 2012, the Court postponed the hearing to give the possibility of studying the documentation and to settle the recusal request. On 23 November 2012, the Court rejected the recusal request. On 5 December 2012 it was the last hearing; the Court ruled in favour of the Fund, rejecting the request filed by the Litigant asking for suspending EGM Resolution no. 5/29 Nov. 2010 and EGM Resolution no. 1/23 Nov. 2011, both for approving the Fund's Constitutive Act.	N/A
41.	File no. 41885/3/2012	Bucharest Court	Challenging the request filed by the Litigant with Trade Register to mention and to publish the court decision issued in file no. 47039/3/2010 in the Official Gazette.	On 6 December 2012, the Court decided that this file has a similar object with file 40291/3/2012 and joint this file with file 40291/3/2012.	N/A
42.	File no. 45583/3/2012	Bucharest Court	The Litigant filed a request of intervention against the registration with Trade Register of the Court Decision issued in file 40290/3/2012 where the Litigant renounced to the request.	On 4 December 2012 the court issued a decision and rejected the request of intervention of the Litigant.	N/A
43.	File no. 77743/3/2011	Bucharest Court	Challenging the EGM Resolution for modifying the Constitutive Act approved by shareholders on 23 November 2011.	Suspended. During the first hearing, the Fund filed a set of documentation and the Litigant asked for a delay to study the documentation. On 30 October 2012, the Bucharest Court suspended the file because the Litigant didn't fulfil her legal obligation of clarifying her request.	N/A

44.	File no. 47039/3/2010	Bucharest Court of Appeal	Challenging the EGM Resolution for modifying the Constitutive Act approved by shareholders on 6 September 2010, the EGM Resolution for setting the date of appointing Franklin Templeton Investments Management Limited, Bucharest Branch as Sole Administrator of the Fund.	On 10 October 2012, the Bucharest Court of Appeal ruled against the Fund. On 26 October 2012 the Fund received the full decision which is irrevocable. The Fund decided not to file an extraordinary appeal.	N/A
45.	File no. 40290/3/2012	Bucharest Court	Challenging the registration of the request filed by the Litigant to Trade Register asking to erase the registrations with Trade Register made based on General Meeting of Shareholders Resolutions 1, 2, 8 and 9 / 2010.	First stage ended. The Litigant filed a request with the Trade Register stating that she intended to renounce the initial request. During the hearing on 25 October 2012, the Litigant announced that this was an error and it was not her intention to renounce. On 25 October 2012 the Court announced the decision to uphold that the Litigant renounced to the initial request.	N/A
46.	File no. 46293/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the mentioning of OGM Resolution no. 25 of 23 November 2012 for the ratification of the appointing of FTIML as Sole Administrator of the Fund.	On 18 December 2012 the Bucharest Court ruled in favour of the Fund.	N/A
47.	File no. 59934/299/2012	Bucharest 1st District Court	The Fund started the case for recovering the legal fees.	On 20 December 2012 the Court irrevocably admitted the Fund's request for the initiation of the foreclosure procedure against the Litigant.	N/A
48.	File no. 46760/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking of the mentioning of OGM Resolution no. 23/2012 approved on 23 November 2012 - the approval of 2013 budget.	Decision in favour of the Fund. On 11 January 2013 was the final hearing and the Court ruled in favour of the Fund.	N/A
49.	File no. 29538/303/2012	Bucharest 6th District Court	The Fund started the case for recovering the legal fees.	On 9 January 2013 the Court irrevocably admitted the Fund's request for the initiation of the foreclosure procedure against the Litigant.	N/A
50.	File no. 60578/299/2012	Bucharest 1st District Court	The file was formed as a result of the request for recusal filed by the Litigant against the executor handling the foreclosure procedure for the recovery of the litigation expenses related to file no. 15963/3/2012.	On 11 January 2013, the court rejected the request of recusal of the executor.	N/A
51.	File no. 46292/3/2012	Bucharest Court	Request of intervention filed by the Litigant for blocking the mentioning in Trade Register the EGM Resolution no. 12 of 23 November 2012 for the extension of the deadline for the secondary listing.	Ongoing. On 20 December 2012 the judge decided to send this file to file no. 46287/3/2012 for joining the files. On 17 January 2013 the Court decided to join this file with file no. 46287/3/2012.	N/A
52.	File no. 49309/300/2012	Bucharest 2 nd District Court	The Fund started the case for recovering the legal fees.	On 17 January 2013 the Court irrevocably admitted the Fund's request for the initiation of the foreclosure procedure	N/A

				against the Litigant.	
53.	File no. 41079/3/2012	Bucharest Court	Request for intervention filed by the Litigant with the Trade Register asking not to register the court decision issued in file 26255/3/2012 in which the Bucharest Court ruled in favour of the Fund.	Decision in favour of the Fund. During the first hearing, the Litigant asked the Court to re-examine the stamp duty which she was required to pay. On 20 November 2012, the Litigant filed a request of incompatibility of the judge managing this file. The Court sent the file to Panel C28F to settle the request. On 11 December 2012 the Court rejected the request of incompatibility. On 8 January 2013 was the final hearing. The Court postponed the issuance of a decision in this file for 22 January 2013. On 23 January 2013 the Court announced that it rejected the request of intervention filed by the Litigant.	N/A
54.	File no. 46751/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 30/2012 approved on 23 November 2012 - the re-adoption of the termination of the mandates of the Supervisory Board and Directorate.	Decision in favour of the Fund. The hearing was postponed because the Litigant requested the re-examination of the stamp duty. On 23 January 2013 was the last hearing in this file – the Court rejected the Litigant's intervention and approved the registration with the Trade Register of the OGM Resolution no. 30/2012 approved on 23 November 2012 regarding the re-adoption of the termination of the mandates of the Supervisory Board and Directorate.	N/A
55.	File no. 15960/3/2012	Bucharest Court of Appeal	Blocking the registration of EGM Resolution no. 2 of 4 April 2012 for approving several amendments to the Constitutive Act and the approval of the amended Constitutive Act of the Fund.	Decision in favour of the Fund. On 15 October 2012, the Bucharest Court ruled in favour of the Fund and ordered the registration with the Trade Register of EGM Resolution no. 2 of 4 April 2012. The Litigant filed an appeal against the Bucharest Court decision. On 21 November 2012, the Bucharest Court of Appeal postponed the hearing in order to give the possibility of studying the documentation and to settle the recusal request. On 23 January 2013 was the last hearing in this file and the Court rejected the appeal filed by the Litigant in this file.	N/A
56.	File no. 47387/3/2012	Bucharest	Request of intervention filed by the Litigant for	Decision in favour of the Fund. The hearing	N/A

		Court	blocking the registration of OGM Resolution no. 24 of 23 November 2012 for appointing Deloitte Audit SRL as financial auditor of the Fund.	was postponed because the Litigant requested the re-examination of the stamp duty. On 21 December 2012 the court rejected the request of the Litigant for the re-examination of the stamp duty. A new hearing in this file is set for 25 January 2013. On 25 January 2013 the Litigant stated that she did not mean to file a request of intervention against the OGM Resolution no. 24 of 23 November 2012 and that she understands not to carry on with this trial. On 29 January 2013 the Court announced that it has rejected the request of intervention filed by the Litigant.	
57.	File no. 46756/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of EGM Resolution no. 16/2012 approved on 23 November 2012 - the re-adoption of EGM Decisions.	Decision in favour of the Fund. The hearing was postponed because the Litigant requested the re-examination of the stamp duty. On 8 January 2013, Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant and the Court sent the file to panel C32 in order to re-examine the stamp duty. On 22 January 2013 the Litigant filed a request for the re-examination of the stamp duty set for Tache Cornelia. On 5 February 2013 was the last hearing and the Court is expected to issue a decision in this file. On 7 February 2013 the Court announced that it has rejected the intervention filed by the Litigant, approving in the same time the registration with the Trade Registry of the EGM Resolution no. 16/2012 approved on 23 November 2012.	N/A
58.	File no. 3475/3/2013	Bucharest Court	Request of intervention filed by the Fund against the ex officio mentioning by the Trade Registry of the decision no. 19520/14 December 2012 issued by the Bucharest Court in file no. 40330/3/2012.	Decision against the Fund. The first hearing in this file has been set for 5 February 2013. On 5 February 2013 it was the last hearing in this file. On 7 February 2013 the Court announced that it has rejected the intervention filed by the Fund.	N/A
59.	File no. 2923/3/2013	Bucharest Court	Filed formed as a result of the splitting of the forced intervention request for the Trade Registry to be brought in the case filed by the Litigant in file no. 46758/3/2012.	The first hearing was set for 7 February 2013. On 7 February 2013 the Court rejected the Litigant's claim.	N/A

60.	File no. 46759/3/2012	Bucharest Court	Request of intervention filed by the Litigant with Trade Register for blocking the registration of OGM Resolution no. 29/2012 approved on 23 November 2012 - the ratification of the termination of the mandates of the former Directorate and former Supervisory Board.	Decision against the Fund. On 19 December 2012 the hearing was postponed because Dan Cristian Barbulescu filed a request of intervention for supporting the Litigant. On 9 January 2013, Tache Cornelia filed a request of intervention in this file. The court postponed the hearing for procedural reasons. On 23 January 2013, the Court rejected the requests of intervention filed by Dan Cristian Barbulescu and Tache Cornelia for the non – payment of the stamp duty. On this hearing also, the Litigant filed a request of forced intervention for the National Trade Register and Bucharest Trade Register to be brought into this file – the hearing was postponed for 6 February 2013. On 6 February 2013 was the last hearing in this file, with the Court being expected to issue a decision. On 7 February 2013 the Court announced that it has rejected the registration request filed by the Fund.	N/A
61.	File no. 22045/3/2012	Bucharest Court of Appeal	Blocking the registration of OGM Resolution no. 10 of 25 April 2012 for the approval of the dividend distribution for the financial year 2011.	Decision in favour of the Fund. On 23 October 2012, the Bucharest Court ruled in favour of the Fund and ordered the registration with the Trade Register of OGM Resolution no. 10 of 25 April 2012 for the approval of the dividend distribution for the financial year 2011. The OGM Resolutions no. 10 of 25 April 2012 has not been registered with Trade Register by the date of this report because the original file was not sent back to Trade Register. On 16 October 2012 the Court decided to join this file with file no. 15963/3/2012. The Litigant filed an appeal in this file, with the first hearing set for 4 February 2013. On 4 February 2013 the Court decided to send this file to file no. 15963/3/2012	N/A
62.	File no. 26255/3/2012	Bucharest Court of	Blocking the registration of OGM Resolution no. 20/2012 approved on 27 June 2012 - the second	Decision in favour of the Fund. On 12 October 2012, the Bucharest Court ruled in	Closed case

		Appeal	Addendum for 2012 budget.	favour of the Fund and ordered the registration with the Trade Register of OGM Resolution no. 20 of 27 June 2012. On 18 October 2012 the Fund received the full decision of the court in this file and a couple of key points from the reasoning of the Court are worth noting: - the Fund used the correct Trade Register form to file the registration (same form was used in file 26251/3/2012 and 26254/3/2012); and - the Court decision issued in file 47039/3/2010 has no relevance to this analysis because the shareholders' decisions approved in November 2010 and November 2011 remain in force. On 12 December 2012, the Bucharest Court of Appeal ruled in favour of the Fund and rejected the appeal of the Litigant. The decision is irrevocable.	
63.	File no. 26252/3/2012	Bucharest Court	Blocking the registration of OGM Resolution no. 21/2012 approved on 27 June 2012 - the Addendum with the auditor for the secondary listing work.	Decision in favour of the Fund. On 23 July 2012, the Bucharest Court ruled in favour of the Fund and ordered the Trade Register to register the OGM Resolution no. 21 of 27 June 2012. The decision is irrevocable. The OGM Resolution no. 21/2012 approved on 27 June 2012 was registered with Trade Register.	Closed case
64.	File no. 7463/3/2012	Bucharest Court	The Fund has not received the subpoena in this case. The Fund Manager identified this file on the webpage of the Bucharest Court and joined the hearing on 29 June 2012 in front of Bucharest Court, without receiving a subpoena for it. From the hearing resulted that the case was started for challenging the convening notice for 4 April General Meeting of Shareholders.	Claim dismissed. On 29 June 2012 as a result of an administrative procedure the Bucharest Court decided to dismiss the Litigant's request because the stamp duty was not fully paid.	Closed case
65.	File no. 7004/3/2012	Bucharest Court of Appeal	Asking the Court to suspend the EGM Resolution for modifying the Constitutive Act approved by shareholders on 29 November 2010, to suspend the GSM organized on 4 April 2012 and the GSM organized on 25 April 2012.	Decision in favour of the Fund. The Bucharest Court ruled in favour of the Fund on 2 April 2012. The Litigant appealed the decision. On 27 June 2012 the Bucharest Court of Appeal rejected the appeal and irrevocably ruled in favour of the Fund. The	Closed case

				decision is irrevocable.	
66.	File no. 15965/3/2012	Bucharest Court	Blocking the registration of Fund Manager Decision for paid-up share capital increase.	Decision in favour of the Fund. The Bucharest Court ruled in favour of the Fund on 6 June 2012. The decision is irrevocable.	Closed case
67.	File no. 7176/3/2012	Bucharest Court	Asking the Court to suspend the GSM organized on 4 April 2012.	Claim dismissed. The Bucharest Court dismissed the claim on 15 March 2012 due to the fact that the Litigant accepted that the file duplicated the subject of file no. 7004/3/2012.	Closed case
68.	File no. 47826/3/2010	Bucharest Court of Appeal	Asking the Court to suspend the EGM and OGM Resolution adopted on 6 September 2010.	Decision in favour of the Fund. The Bucharest Court ruled in favour of the Fund on 6 December 2010. The Litigant appealed the decision. On 6 April 2011 the Bucharest Court of Appeal rejected the appeal and irrevocably ruled in favour of the Fund.	Closed case