

**Resolution no. 6 / 28 April 2014 of the Shareholders' Extraordinary General Meeting of**

**FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzesti St, 7<sup>th</sup> floor, sector 1, Bucharest, registered with the Trade Register under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2014, 10:00 AM, the shareholders of Fondul Proprietatea S.A. ("**the Fund**") have met during the Shareholders' Extraordinary General Meeting ("**EGM**") of the Fund, at its first summoning, at "JW Marriott" Hotel, "Constanta" Room, 90 Calea 13 Septembrie Street, 5<sup>th</sup> District, Postal Code 050726, Bucharest, Romania, the EGM being opened by its Chairman, namely Mr. Grzegorz Maciej Konieczny, in his capacity of legal representative of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, having its headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> and 8<sup>th</sup> floors, 1<sup>st</sup> District, registered with the Trade Register under no. J40/8587/2009, sole identification code 25851096 ("**the Sole Administrator**") and with the Public Register of the Romanian National Securities Commission ("**CNVM**") under number PJM05SSAM/400001.

Whereas:

- The convening notice of the EGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 18 March 2014, in the Official Gazette of Romania, Part IV, number 1795/20 March 2014 and in "Romania Libera" newspaper no. 7072/20 March 2014,
- The provisions of the Fund's Articles of Association in force ("Articles of Association"),
- The applicable legislation,

Following debates, the Fund's shareholders decide as follows:

I. The approval of the EGM agenda.

This item is adopted with 4,687,770,245 votes representing 99.36% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Articles of Association corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- 4,687,770,245 votes "for",
- 15,282,983 votes "against",
- 7,261,573 votes "abstain", and
- 7,416,671 votes were not casted.

II. The approval of the secondary listing of Fondul Proprietatea SA on the London Stock Exchange, as follows:

- The approval of all arrangements to allow the admission to trading of Fondul Proprietatea SA's shares via direct or indirect ownership (such as through depository

receipts, depositary interests or other indirect ownership form) (the "Securities") on the London Stock Exchange;

- The approval of the empowerment of the Sole Administrator of the Company (i) to take all necessary actions in order to complete such listing, including to choose the type of listing, the section of the London Stock Exchange where the Securities will be listed, the execution of the intermediation and any other agreements, appointing a depositary bank and the execution of a depositary agreement, if the case, appointing any advisers (other than the consortium mentioned below) and subcontractors if necessary and drafting and executing all listing related documentation; (ii) to represent Fondul Proprietatea SA with full power and authority in front of any third party and authorities in relation with secondary listing activities; (iii) to seek all necessary regulatory approvals thereof; (iv) to carry out any promotional campaign; and (v) to perform any other action or formality which may be necessary or desirable to ensure the full effectiveness of the actions specified in this point; such authorization of the Sole Administrator is valid until 31 December 2014;
- The appointment of the consortium composed of Jefferies International Limited as sole UK financial adviser, BRD Societe Generale as Romanian advisor and Swiss Capital as Romanian advisor, that will work with the Sole Administrator mainly with respect to the admission to trading of Fondul Proprietatea SA's Securities, via direct or indirect ownership, on the London Stock Exchange;
- The approval of the secondary listing budget (as described in the annex to this resolution).

This item is adopted with 4,616,439,661 votes representing 97.85% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Articles of Association corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- 4,616,439,661 votes "for",
- 34,607,695 votes "against",
- 648,823 votes "abstain" and
- 66,035,293 votes were not casted.

III. The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY, as legal representative of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolution, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

This item is adopted with 4,639,703,224 votes representing 94.63% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second

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paragraph of the Articles of Association corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- 4,639,703,224 votes “for”,
- 3,667,454 votes “against”,
- 7,795,368 votes “abstain” and
- 251,495,993 votes were not casted.

IV. The approval of 15 May 2014 as the registration date, in accordance with the provisions of Article 238 para. (1) of Capital Market Law no. 297/2004.

This item is adopted with 4,647,488,645 votes representing 98.51% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Articles of Association corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- 4,647,488,645 votes “for”,
- 1,657,082 votes “against”,
- 2,020,219 votes “abstain” and
- 66,147,725 votes were not casted.

This decision is drafted and signed on behalf of the shareholders by:

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Grzegorz Maciej KONIECZNY

Chairman of the meeting

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Florin-Daniel Gavrilă

Meeting secretary

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Valeriu Ionita

Technical secretary

**Annex - Secondary listing budget as presented under point 3 of the EGM's agenda**

The Fund's 2014 Budget did not include any expenses relating to the proposed secondary listing of the Fund on the LSE. Therefore, accompanying the proposal for the secondary listing, this document details the Fund's secondary listing expenses budget ("SL Budget"), which is also submitted for shareholders' approval.

The SL Budget was pre-approved by the Board of Nominees of the Fund in March 2014.

**SUMMARY OF SECONDARY LISTING BUDGET**

<b>Expense category</b>	<b>RON</b>	<b>% in Total expenses</b>
Consortium fees and expenses	8,910,291	43.5%
Legal fees	4,822,169	23.5%
Roadshow costs	362,523	1.8%
Public relations expenses	911,996	4.4%
Commissions and fees	2,421,427	11.8%
Other expenses	3,066,445	15.0%
<b>TOTAL EXPENSES</b>	<b>20,494,851</b>	<b>100.0%</b>

**PRINCIPAL SL BUDGET ASSUMPTIONS**

*The main secondary listing assumptions are as follows:*

- The SL Budget was prepared on the assumption that there will be a technical listing of the Fund on the Specialist Fund Market of the LSE ("SFM"), with fungible trading between London and Bucharest expected to be achieved via the use of Depositary Interests (DIs) or Global Depositary Receipts (GDRs).

There will be no liquidity event correlated to this listing and no offering of shares by the Fund. The listing documentation will consist of a Summary document or a Prospectus (for GDRs).

- The listing consortium selected ("Consortium") is coordinated by Jefferies International Limited ("Jefferies"). The local advisors are BRD – Groupe Societe Generale and Swiss Capital.

The SL Budget has been prepared based on the final financial offer negotiated with the Consortium.

- In terms of timing of the listing, the assumption is that it is expected to take place in the third quarter of 2014.

*Other assumptions:*

- The average exchange rates used in the preparation of the SL Budget were 4.4978 Lei/EUR and 5.4671 Lei/GBP, being the National Bank of Romania's exchange rates as at 31 January 2014.
- The market capitalisation of the Fund for the preparation of the SL Budget was assumed to be GBP 2.1 billion.
- All taxes and contribution rates and computation methodologies are based on the laws in force as at 31 January 2014.
- Expenses include Romanian VAT of 24% and withholding tax, where applicable. The activities of the Fund are exempt and therefore VAT on expenses is not recoverable.

- Our calculations include certain assumptions on the applicability of taxes which are subject to interpretation of tax law. To be prudent, for some items where the interpretation is not entirely certain, we have included a contingency for the possible application of additional taxes.

The following section includes details on the budgeted expenses.

#### **DETAILED ANALYSIS OF BUDGETED EXPENSES**

**Consortium fees and expenses** represent the most important component of the SL Budget. The costs associated with investment banking services will be capped at GBP 1,320 thousand equivalent (net of any applicable taxes) and will include a financial advisory fee for listing, expenses to be reimbursed by the Fund and a variable success fee component related to the listing of the Fund on the LSE. This Budget line also includes any related applicable VAT and withholding tax.

**Legal fees** include both the Fund's counsel fees and Consortium counsel fees relating to the secondary listing.

**Public relations expenses** include mainly estimated costs related to PR agencies, press conferences and other related events.

**Roadshow costs** include expenses related to organising roadshows supporting the secondary listing of the Fund on the LSE.

**Commissions and fees** include fees payable to the LSE and UK and Romanian capital market authorities. They cover estimated maximum fees payable to the LSE for admission to trading and also an annual LSE fee, the UK Listing Authority (Financial Conduct Authority) fee for reviewing the listing document and the Romanian Financial Supervisory Authority fee for reviewing the listing document.

**Other expenses** include mainly estimated expenses related to registrar services, printing and distribution costs, tax advisory services for the secondary listing and the auditors' additional expenses (for the issuance of a comfort letter for the listing document and for additional advisory and review requirements).

**This SL Budget has been prepared based on the information currently available and based on the assumptions as stated within this paper. As it is impractical to update the SL Budget every time changes in the assumptions used in the preparation of this budget occur, we propose that shareholders empower the Fund Manager to incur additional expenses on behalf of the Fund, if so required, but not exceeding more than 10% of the total secondary listing budget expenses presented in this paper.**

**Details on such expenses incurred will be provided on a retrospective basis, as part of the Fund's periodic reporting and in the annual report of the Fund Manager.**

**Among the expense categories reclassifications / reallocations may take place with the condition that the total of these expenses will meet the overall budgetary limits approved by the General Shareholders Meeting.**

If the secondary listing project will not be finalised by the end of 2014, the remaining secondary listing related expenses will be included in the Fund's 2015 Budget that will be submitted to shareholders' approval before the end of 2014.