

Resolution no. 8 / 28 April 2014 of the Shareholders' Extraordinary General Meeting of

FONDUL PROPRIETATEA S.A.

Headquarters: 78-80 Buzesti St, 7th 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, 5th 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, 7th and 8th floors, 1st 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) 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 amendment of the Investment Policy Statement, in the form enclosed in the annex to this resolution.

This item is adopted with 4,623,096,219 votes representing 97.99% 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:

- 4,623,096,219 votes “for”,
- 14,315,627 votes “against”,
- 15,617,102 votes “abstain” and
- 64,702,524 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 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:

Grzegorz Maciej KONIECZNY

Chairman of the meeting

Florin-Daniel Gavrilă

Meeting secretary

Valeriu Ionita

Technical secretary

INVESTMENT POLICY STATEMENT OF FONDUL PROPRIETATEA SA

I. PURPOSE OF THE INVESTMENT POLICY STATEMENT

This investment policy statement (hereinafter referred to as the “**Investment Policy Statement**” or “**IPS**”) sets the prudential rules concerning the investment policy of Fondul Proprietatea S.A. (hereinafter referred to as “**Fondul Proprietatea**” or “**FP**”) and presents the investment goals, objectives and the decision-making process for selecting investments in accordance with the investment objectives.

The IPS provides criteria against which investment results will be measured and serves as a review document to monitor, evaluate and compare the performance of the Fund Manager on a regular basis.

The IPS shall be reviewed when needed by the Fund Manager together with the Board of Nominees, in accordance with the provisions of FP’s Constitutive Act and the applicable legal provisions.

The IPS is set forth within the legal framework established by Title VII of Law 247/2005 and any related and ancillary legislation in force, and, in accordance with FP’s Constitutive Act, the Extraordinary General Shareholders’ Assembly is responsible for approval of the IPS.

II. ROLES, RESPONSIBILITIES AND PROCEDURES

A. Fund Manager. The Fund Manager is appointed by the General Shareholders Meeting and performs its activity based on an Investment Management Agreement entered into between Fondul Proprietatea and the Fund Manager (hereinafter referred to as the “**IMA**”).

The Fund Manager has the power to make all decisions concerning the investments to be made by Fondul Proprietatea, in accordance with the restrictions provided in this IPS, the Constitutive Act of Fondul Proprietatea, the IMA and applicable laws and regulations.

B. Board of Nominees. The Board of Nominees monitors the activity of the Fund Manager and represents the shareholders in relation to the Fund Manager. The exact roles and responsibilities of the Board of Nominees are detailed in the Constitutive Act of Fondul Proprietatea.

C. General Shareholders Meeting. The General Shareholders Meeting is the supreme corporate body of Fondul Proprietatea. Certain transactions performed by Fondul Proprietatea require the prior approval of the General Shareholders Meeting, in accordance with the Constitutive Act and the applicable legislation.

III. **INVESTMENT OBJECTIVES AND PERFORMANCE OBJECTIVES**

A. Investment objective

The FP's investment objective is the maximization of returns and per-share capital appreciation via investments mainly in Romanian equities and equity-linked securities.

B. Performance Objectives

a. Discount Objective

The discount between the closing price for each trading day of the shares issued by FP and the latest reported NAV per Share should be equal to or lower than 15% in at least two thirds of the trading days during the Reporting Period (as defined in the IMA) (the "**Discount Objective**").

b. NAV Objective

The Fund Manager should achieve a level of Adjusted NAV per Share (as defined below) higher than the reported NAV as at September 30th 2013 (the "**NAV Objective**").

The adjusted NAV (the "**Adjusted NAV**") for a given date will be calculated as the sum of:

- (i) the reported NAV as at the end of the Reporting Period (as defined in the IMA);
 - (ii) any returns to shareholders, following reductions of the share capital (return of nominal) implemented after September 30th 2013, and
 - (iii) any Distribution Fee (as defined in the IMA) and any transaction costs relating to non-dividend distributions including buy-backs executed after 30 September 2013.
- c.** The Adjusted NAV per Share will be equal to the Adjusted NAV divided by the total number of the Fund's paid shares, less treasury shares, on the last day of the Reporting Period (the "**Adjusted NAV per Share**").

C. General principles for achieving the objectives

The Board of Nominees and the General Shareholders Meeting review the performance of the Fund Manager, on an annual basis, for the period of time established as the Reporting Period (as defined and further detailed in the IMA).

In the absence of investment opportunities offering better returns for shareholders, the Fund Manager will use all or a significant part of the proceeds from dividends and disposal of portfolio companies to implement measures aimed at maximizing cash returns to shareholders

and fulfilling the Performance Objectives. Discount management techniques may include (but are not limited to) the following:

- recommendation of buy-back programs of FP's shares to shareholders for approval, subject to compliance with the Constitutive Act and all applicable legislation.
- reduction of nominal value of shares, accompanied by cash distribution to shareholders.
- execution of buy-back programs via (i) trading on the regular market on which FP's shares are listed and (ii) public tender offers, in each case subject to available liquidity, compliance with the Constitutive Act and all applicable legislation, and receipt of all necessary regulatory approvals.
- increasing investor demand for the shares, with the aim of increasing the market price, by:
 - maintaining a transparent dividend policy;
 - increasing the share of listed companies in the portfolio and their transparency;
 - building good communication through active investor relations work; and
 - supporting initiatives to make the Romanian capital market more attractive for investors.

In order to achieve the objectives in the IPS, the Fund Manager should pay attention to:

- clarity of the Fund Manager's investment strategy and how it contributes to achieving the main investment objectives;
- active engagement with the portfolio companies in order to increase their value, and
- constructive communication and interaction with the Board of Nominees.

D. Risk management

The Fund Manager is responsible for proper balancing of risk and expected returns.

The Fund Manager should implement appropriate tools and processes in order to monitor operational and investment risks and to respond to developments in a timely fashion.

IV. INVESTMENT LIMITS AND RESTRICTIONS

The investment policy will observe the prudential limits of investments provided for by the

applicable laws and regulations in force and the Constitutive Act of FP.

Under normal market conditions, the Fund should have at least 80% of its net assets invested in Romanian equity and equity-linked securities.

Investments limits, include but are not limited to the following:

- up to 10% of its assets invested in listed shares or money market instruments issued by one single issuer, except of the government bonds
- up to 20% of its assets invested in unlisted securities or money market instruments except of the government bonds and other cases permitted by law*
- up to 10% of assets invested in bank deposits with one single bank
- up to 10% of assets invested in financial instruments issued by entities belonging to the same group of companies
- up to 10% of assets invested in UCITS units or other collective investment scheme units
- exposure to the counterparty risk in a transaction with derivatives traded out of the regulated markets may not exceed 10% of assets, irrespective of the counterparty of the transaction, while the global exposure of derivatives may not exceed 15% of the total allocation of net assets
- not less than 20% of assets investments in listed securities and newly issued securities

** Shares received from Romanian State on the basis of Law No. 247/2005 are exempted from the general rules on allocation. Where the Fund acquires further securities in the same issuer as securities received from Romanian State, the general rules on allocation shall apply to the newly acquired securities only. For the calculation of the ownership limit for securities not admitted to trade, shall be excluded from the value of assets not admitted to trade the value of securities not admitted to trade owed from the Romanian State on the basis of Law No. 247/2005. Therefore, any part of the current Fondul Proprietatea Portfolio (as it has been set up, on securities not admitted to trade owed from the Romanian State on the basis of Law No. 247/2005 and including the modifications made by GEO No. 81/2007) shall be exempted from the general rules on allocation. However, any new acquisition made by the Fund shall observe the general rules on allocation.*

All investment restrictions are available on Fondul Proprietatea website, Investment Policy Statement Section.

V. ADDITIONAL GUIDELINES

Subject to applicable legal provisions in force and the FP Constitutive Act, all decisions regarding sector and security selection, portfolio construction, timing of buy or sell transactions and choice of venue and structure of transaction are delegated to the Fund Manager.

Subject to the applicable legal provisions and FP's Constitutive Act, the Fund Manager on

behalf of the Fund, may buy, sell, exchange, exercise all rights, has a good and valid title to sell and transfer any rights and to enter into conditional contractual liabilities. This includes, without limitation, the power to enter into derivatives and to negotiate and execute loan agreements, repurchase agreements and/ or securities lending agreements, in accordance with the legal applicable provisions in force and FP's Constitutive Act, also taking into account the cases when a prior approval of the Extraordinary General Shareholders Meeting is needed.

Transactions which involve a broker acting as a "principal", where the broker is also the investment manager (or an affiliate of such investment manager) who makes the transaction (or an affiliate of such investment manager) are not permitted.

Transactions should be executed at the lowest possible cost (including commissions, efficiency of execution and the impact of the market) and best execution should be provided at all times.

Cash allocation

Cash allocation is made by the Fund Manager, based on market conditions. It should be aimed at reducing risks to the Portfolio

Valuation

Valuation of assets shall be made in accordance with the regulations in force issued by the Financial Supervisory Authority and in accordance with the internal regulations of Fondul Proprietatea.

VI. LIMITATIONS OF DISCRETIONARY MANAGEMENT

The Fund Manager assumes the management over the entire Portfolio, subject to the terms of the IPS and the IMA.

The Fund Manager is subject to the limitations set out by this IPS, the Constitutive Act of Fondul Proprietatea and the existing applicable legal provisions in force.

VII. LIQUIDITY

The Fund Manager shall maintain adequate liquidity in order to at least meet the following requirements:

- cover the operating and tax expenses of FP;
- cover the capital expenditure requirements for the on-going activities of FP;
- ensure appropriate funds for dividend payments and share buy-backs (where such actions have been approved by shareholders).

VIII. TIME HORIZON

The duration of Fondul Proprietatea is not limited in time.

IX. TAX CONSIDERATIONS

The FP is established as a commercial undertaking and is subject to corporate tax in accordance with the Romanian Fiscal Code. In managing the investment portfolio and seeking to achieve the objectives, the Fund Manager shall have due regard to the potential impact of tax regulations.

X. CONSTRAINTS

The FP shall not invest in any other type of asset class, except those specifically mentioned in the applicable legislation and the Constitutive Act. The use of derivatives is permitted subject to the limitations contained in applicable legislation in force. Short selling of securities is prohibited.

Borrowing is allowed only in accordance with the FSA regulations applicable to other undertakings for collective investment and FP's Constitutive Act.

XI. POLICY REVIEW

The IPS shall be reviewed on regular basis by the Fund manager and Board of Nominees in order to ensure that it remains consistent with overall objectives of FP.

Any changes to the investment policy proposed by the Fund Manager and/or the Board of Nominees shall be approved by the General Shareholders Meeting, with observance of investment limits provided in the applicable legislation in force.