

## CONVENING NOTICE OF THE EXTRAORDINARY AND ORDINARY GENERAL MEETINGS OF SHAREHOLDERS OF FONDUL PROPRIETATEA S.A.

Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, with its headquarters in Bucharest, 78-80 Buzești Street, 7<sup>th</sup> and 8<sup>th</sup> floors, 1<sup>st</sup> District, registered with the Bucharest Trade Register under no. J40/8587/2009, with Sole Registration Code 25851096, registered with the Public Register of the National Securities Commission (**CNVM**) under no. PJM05SSAM/400001 as a branch of an Investment Management Company from a Member State of European Union, as Sole Administrator of FONDUL PROPRIETATEA S.A., a joint-stock company, organized as a closed-end investment company, with its headquarters in Bucharest, 78-80 Buzești Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, registered with the Trade Register under no. J40/21901/2005, with Sole Registration Code 18253260, with a subscribed registered share capital of RON 10,074,080,745.90, a paid-up share capital of RON 9,746,649,630.90 and with a total number of voting rights as at 31 January 2016 of 10,445,601,078 (**the Company/FP**),

Considering

- The provisions of Articles 12 - 13 of the Company's Constitutive Act in force;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (**Law no. 31/1990**);
- The provisions of Law no. 297/2004 on capital market, with its subsequent amendments and supplementations (**Law no. 297/2004**);
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of CNVM Regulation no. 1/2006 on issuers and operations with securities, with its subsequent amendments and supplementations (**Regulation no. 1/2006**);
- The provisions of CNVM Regulation no. 6/2009 on exercising certain rights of shareholders within general meetings of companies, with its subsequent amendments and supplementations (**Regulation no. 6/2009**);
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts (**Regulation no. 4/2013**);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company "Fondul Proprietatea" S.A., as well as on trading the shares issued by this company.

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### CONVOKES:

The Extraordinary General Meeting of Shareholders of Fondul Proprietatea S.A. on **26 April 2016, 15:00 o'clock** (Romanian time), at "Radisson Blu" Hotel, 63-81 Calea Victoriei Street, Atlas Room, 1<sup>st</sup> District, Bucharest, 010065, Romania (**EGM**), and

The Ordinary General Meeting of Shareholders of Fondul Proprietatea S.A. on **26 April 2016, 16:00 o'clock** (Romanian time), at "Radisson Blu" Hotel, 63-81 Calea Victoriei Street, Atlas Room, 1<sup>st</sup> District, Bucharest, 010065, Romania (**OGM**).

Only the persons registered as shareholders of the Company on **29 March 2016** (the **Reference Date**) in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the EGM and OGM.

**A. The agenda of the EGM is as follows.**

1. The approval of the amendment of the Constitutive Act of Fondul Proprietatea S.A., in accordance with the requirements set forth by the Endorsement no. 25/28 January 2016 issued by the Financial Supervisory Authority ("**FSA**"), as follows.

(a) **Article 17 paragraph (20) shall be amended and shall read as follows.**

*"(20) Approves the delegation by the AIFM of certain activities. The delegation shall be effective in accordance with the legal provisions in force".*

(b) **Article 20 shall be amended and shall read as follows.**

*"The AIFM shall appoint a natural person as its permanent representative. The AIFM can change the permanent representatives in accordance with the applicable law. All changes will be registered with the Trade Registry".*

(c) **Article 21 paragraph (4) letter (viii) shall be amended and shall read as follows.**

*"(viii) approve the outsourcing of certain activities, within the limits of the approved budget, respectively the delegation of the performance of certain activities, subject to the observance of the applicable legislation,"*

(d) **Article 36 paragraph (2) shall be deleted.**

(e) The term of "*Fund Manager*" to be replaced throughout the Constitutive Act with the term of "*AIFM*" (abbreviation of Alternative Investment Fund Manager), as well as the term of "*National Securities Commission*" or any of its abbreviation therein to be replaced with the term of "*Financial Supervisory Authority*" or "*FSA*".

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2. The approval of the decrease of the subscribed share capital of Fondul Proprietatea S.A. as follows.

The decrease of the subscribed registered share capital of Fondul Proprietatea S.A. from RON 9,320,973,180.85 to RON 9,168,314,116.70, by cancelling a number of 179,598,899 own shares.

After the share capital decrease the subscribed share capital of the Company will be RON 9,168,314,116.70 being divided into 10,786,251,902 shares, with a nominal value of RON 0.85 / share.

The approval of the amendment of the Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea S.A. as follows.

*"(1) The subscribed share capital of Fondul Proprietatea is in amount of RON 9,168,314,116.70, divided in 10,786,251,902 ordinary, nominative shares, having a nominal value of RON 0.85 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by Depozitarul Central S.A.".*

The subscribed share capital decrease will take place on the basis of Article 207 paragraph 1 letter c) of Law 31/1990 and Shareholders' Resolution no. 5/27 April 2015 allowing, among others, for partial cancelations within the sixth buy-back programme, and will be effective after the following four conditions are met:

- (i) this resolution is published in the Official Gazette of Romania, Part IV for at least two months;
- (ii) FSA endorses the amendment of Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea SA as approved by shareholders during this meeting, where required by applicable law or regulation;
- (iii) the share capital decrease approved by the shareholders on 27 January 2016 is effective;
- (iv) the shareholders' resolution for approving this share capital decrease is registered with the Trade Registry.

As an effect of the share capital decrease, the maximum number computed so that all the outstanding treasury shares (acquired during the programme approved by EGM Resolution 9/29 October 2015 and/or previous ones) will not exceed 10% of the issued share capital at the date when the acquisition is done.

3. The ratification and the approval of all EGM resolutions and of all legal acts (including resolutions, decisions, notices for convening all EGM and contracts) concluded, adopted and issued in the name of Fondul Proprietatea S.A. through its sole administrator and/or its alternative investment fund manager between 6 September 2010 and 25 April 2016 and the approval and ratification of any implementation acts, facts and operations based on such, including the management of the Company under an unitary system, as well as the approval of all the changes to the Constitutive Act approved by all the extraordinary general meetings of shareholders between 6 September 2010 and 25 April 2016, as endorsed by FSA.
4. In accordance with Article 129<sup>2</sup> of Regulation no. 1/2006, the approval of **23 May 2016** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter f<sup>1</sup>) of Regulation no. 1/2006, and **24 May 2016** as the **Registration Date**, computed in accordance with the provisions of Article 238 paragraph (1) of Capital Market Law no. 297/2004. As no payments to the shareholders shall be triggered by the decisions herein, shareholders do not decide upon the Payment Date, as it is defined by Article 2 letter g) of Regulation no. 6/2009.
5. The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY 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' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

**B. The agenda of the OGM is as follows.**

1. Board of Nominees' presentation of its annual report.
2. Fund Manager's presentation on, among others, the buy-backs' effect on the discount level, as well as additional investment strategies proposed by the Fund Manager for the management of Fondul Proprietatea S.A., in accordance with the

requirements set forth by Article 3 of the FSA's Endorsement no. 1 of 7 January 2016.

3. The ratification of the Addendum no. 6 of 2 March 2016 ("Addendum no. 6") to the Investment Management Agreement executed between Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch and Fondul Proprietatea S.A. on 29 April 2014 ("Investment Management Agreement"). The ratification herein of the Addendum no. 6 (which reflects the recommendation made by the FSA through endorsement no. 1/7 January 2016, and is described in the supporting materials) gives full force and effect for the payment by Fondul Proprietatea S.A. to Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch of the Distribution Fee owed to the latter under the Investment Management Agreement for the period between 7 January 2016 – 31 March 2016, payment which will be made in accordance with the provisions of the Addendum no. 6.
4. The appointment of two members in the Board of Nominees of Fondul Proprietatea S.A. following the expiration of two mandates on 30 September 2016. The mandates of the new members are valid for a period of three (3) years onwards, subject to the acceptance of the mandates by the newly appointed members. The proposals of the shareholders for the two mandates that will expire may be submitted by 21 March 2016 at the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7th floor, 1<sup>st</sup> district, postal code 011017 or by e-mail having incorporated an extended electronic signature in accordance with Law no. 455/2001 regarding electronic signature, at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro). The candidates for the Board of Nominees must submit the copy of their ID, the resume which details their current professional activity, the fiscal record and the criminal record, or solemn statement, if the candidate is not a Romanian citizen. The list including information with regard to the name, the locality of residence, the professional qualification, the capacity as shareholder, fiscal record and criminal record for each candidate proposed will be published on the webpage of the Company and shall be daily updated on the basis of received proposals.
  - (a) The appointment of a member of the Board of Nominees following the expiration of the mandate of Mr. SORIN MIHAI MÎNDRUȚESCU on 30 September 2016; the mandate of the new member is valid for a period of three (3) years and shall produce its effects starting with the said date onwards, subject to the acceptance of the mandate by the newly appointed member (*secret vote*).
  - (b) The appointment of a member of the Board of Nominees following the expiration of the mandate of Mr. MARK HENRY GITENSTEIN on 30 September 2016; the mandate of the new member is valid for a period of three (3) years and shall produce its effects starting with the said date onwards, subject to the acceptance of the mandate by the newly appointed member (*secret vote*).
5. The approval of the Annual Activity Report of the Sole Administrator of Fondul Proprietatea S.A. for the financial year 2015, including the financial statements for the year ended on 31 December 2015 prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, the approval of the auditor's report and the discharge of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch for any liability for its administration during 2015 financial year. As the mandate of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch

expires on 31 March 2016, the shareholders also decide to discharge the latter of any liability for its administration of Fondul Proprietatea S.A. during the period 1 January 2016 – 31 March 2016.

6. The approval of the covering of the accounting loss, in accordance with the supporting materials.
7. The approval of the additional act no. 1 to the audit contract executed with the financial auditor, DELOITTE AUDIT S.R.L., as described in the supporting documentation.
8. The ratification and the approval of all OGM resolutions and of all legal acts (including decisions, notices for convening all OGM and contracts) concluded, adopted or issued on behalf of Fondul Proprietatea S.A. through its sole administrator and/or its alternative investment fund manager, as well as of any management/administration measures adopted and/or implemented by its sole administrator and/or its alternative investment fund manager, or otherwise approved or concluded between 6 September 2010 and 25 April 2016.
9. In accordance with Article 129<sup>2</sup> of Regulation no. 1/2006, the approval of **23 May 2016** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter f<sup>1</sup>) of Regulation no. 1/2006, and **24 May 2016** as the **Registration Date**, computed in accordance with the provisions of Article 238 paragraph (1) of Capital Market Law no. 297/2004. As no payments to the shareholders shall be triggered by the decisions herein, shareholders do not decide upon the Payment Date, as it is defined by Article 2 letter g) of Regulation no. 6/2009.
10. The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY to sign the shareholders' resolutions, 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.

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#### *GENERAL INFORMATION WITH RESPECT TO THE EGM & OGM*

***The right to include new items on the agenda. The right to present drafts of resolutions for the items included on the agenda or for the items proposed for inclusion on the agenda.***

In accordance with the provisions of Article 117<sup>1</sup>, paragraph (1) of Law no. 31/1990, Article 7 paragraph (1) of Regulation no. 6/2009 and the provisions of Article 13, paragraph (5) of the Company's Constitutive Act, one or several shareholders representing individually or jointly at least 5% of the Company's share capital may request the Sole Administrator of the Company the introduction of additional items on the agenda of the EGM/OGM and/or the presentation of draft resolutions for the items included or proposed to be included on the agenda of the EGM/OGM.

These requests must comply, cumulatively, with the following requirements:

- a) **in the case of natural person shareholders**, they must be accompanied by copies of the shareholders' identity documents (the identity documents presented by the shareholders must allow their identification in Company's registry of shareholders

kept by Depozitarul Central SA), and **in the case of legal person shareholders**, they must be accompanied by:

- the original or a true copy of the findings certificate issued by the Trade Registry (in Romanian “certificat constatator”) or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the EGM/OGM convening notice publication, allowing for the identification thereof in the Company’s registry of shareholders kept by Depozitarul Central SA;
  - the capacity of shareholder’s legal representative shall be taken from the Shareholders’ Registry issued by Depozitarul Central SA; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders’ registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative of the shareholder;
  - the documents attesting the legal representative capacity drafted in a foreign language other than English shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder’s legal representative capacity be notarised or apostilled. The same identification requirements mentioned above shall also be applicable to the legal representative of the shareholders addressing questions regarding the items on the agenda of General Shareholders’ Meetings (**GSM**).
- b) they must be accompanied by a justification and/or a draft resolution proposed for passing, and
- c) they must be sent to and registered at the Company’s headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, by any type of courier service with proof of delivery or by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro by **21 March 2016, 6:00 PM** (Romanian time). Both means of transmission must contain the mention “TO THE EXTRAORDINARY AND ORDINARY GENERAL MEETINGS OF SHAREHOLDERS TO BE HELD ON 26 APRIL 2016” written clearly and in upper case; and they must bear the signature and seal of the shareholders or, as the case may be, their legal representatives.

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In order to identify and prove the shareholder capacity of a person making proposals to supplement the agenda (or addressing questions according to Article 13 of Regulation no. 6/2009), the Company may request such person to provide a statement indicating the shareholder capacity and the number of shares held.

### ***Information materials and questions related to the agenda***

Each shareholder, irrespective of how many shares he/she/it owns from the Company’s share capital, has the right to ask questions regarding the issues on the agenda of the general meetings. The questions shall be sent to the Company’s headquarters in Bucharest, 78-80 Buzești Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017 or to office@fondulproprietatea.ro, so that they are received by the Company by **22 April 2016, 15:00 o’clock** (Romanian time), mentioning “TO THE EXTRAORDINARY AND ORDINARY GENERAL MEETINGS OF SHAREHOLDERS TO BE HELD ON 26 APRIL 2016” written clearly and in upper case. The Company shall answer the questions asked by the shareholders during the meetings; the questions may be answered as well on the Q&A section of the website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

The identification requirements mentioned above in the section on supplementing the agenda are also applicable to a natural person shareholder and/or the legal representative of a legal person addressing questions regarding the items on the agenda of the GSM.

Commencing with **4 March 2016**, the draft of annual report, including the financial statements included on the agenda of the OGM, Board of Nominees' annual report, the general procedure for organizing general meetings (including the procedure for voting through a representative with a special/general power of attorney, the procedure which allows voting by correspondence), shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzești St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, from 09:00 AM to 05:00 PM (Romanian time), as well as on the official website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

Commencing with **25 March 2016**, all the other information materials regarding the items included on the agenda of the EGM/OGM, including the draft resolutions proposed to be passed within the meeting, shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzești St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, from 09:00 AM to 05:00 PM (Romanian time), as well as on the official website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro). The shareholders of the Company may receive, upon request, copies of the documents related to the issues on the agenda of the EGM/OGM.

### ***The attendance and voting to the General Meetings***

#### ***Global Depositary Receipts Holders***

In accordance with Regulation no. 4/2013, the persons holding Global Depositary Receipts (**GDRs**) (issued based on the shares issued by FP) at the Reference Date can vote within EGM/OGM through the means of the Issuer of the GDRs (i.e. The Bank of New York Mellon – **Issuer of the GDRs**) which will have the quality of shareholder within the meaning and for the application of the provisions of Regulation no. 6/2009.

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The Issuer of the GDRs is fully responsible for the correct, complete and on time information of the GDR holders, with the observance of the provisions comprised in the GDR issuance documents, with respect to the documents and supporting materials correspondent to the EGM/OGM made available by FP.

The Issuer of the GDRs will vote in the EGM/OGM in accordance and within the limits of the instructions of the GDR holders (having this quality at the Reference Date), as well as with the observance of the provisions comprised in the GDR issuance documents.

For computing the quorum of EGM/OGM, it will be taken into account only those supporting shares for which the Issuer of the GDRs cast a vote (including "abstention" votes) in accordance with the instructions of the GDR holders above-mentioned. The Issuer of the GDRs will inform FP about the percentage of the voting rights corresponding to the supporting shares for which it will cast votes until 22 April 2016, 15:00 o'clock (Romanian time).

The GDR holder will send to the entity where he/she/it has opened with the GDR account his/her/its voting instructions with respect to the agenda points of EGM/OGM, so that this information may be send to the Issuer of the GDRs.

The Issuer of the GDRs is fully responsible for taking all necessary measures so that the entity keeping record of the GDR holders, intermediaries involved in custodian services for

the GDR holders and/or any entities involved in the evidence of the GDR holders, to report the voting instructions of the GDR holders with respect to the points of the EGM/OGM.

### Shareholders

The shareholders registered in the register of shareholders on the Reference Date may attend the EGM/OGM and vote as follows.

- a) in person, within GSM – direct vote;
- b) through a representative with a special or general power of attorney; or
- c) by correspondence.

#### **Direct vote**

Shareholders may exercise the direct (personal) vote after proving their identity:

- a) in the case of **natural persons who are sole shareholders** - by presenting the identity card; identity cards submitted by shareholders must allow for their identification on the list of Company's shareholders as at the Reference Date issued by Depozitarul Central SA;
- b) in the case of **natural persons who are collective shareholders** – by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 4 March 2016 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) in the case of **legal persons shareholders**, by presenting:
  - an original or a true copy of the findings certificate issued by the Trade Registry (in Romanian “certificat constatator”) or any other document, in original or true copy, issued by the competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published, allowing for identification thereof on the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative; for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania – to this purpose, a copy of the Official Gazette in which the appointment decree was published or an excerpt of the law programme shall be provided;
  - the identity card or passport of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens).

For all above-mentioned cases, documents presented in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for documents attesting the legal representative's capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled.

## ***Power of attorney***

Shareholders may delegate other persons, except for the Fund Manager or its employees, Board of Nominees members, FP employees, to represent them and vote in EGM/OGM based on a special or a general power of attorney described below as follows. For more details, please refer to the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 4 March 2016 on the Company's website.

### ***Vote by representative holding a special power of attorney***

A special power of attorney may be given for a single shareholders' meeting, as this EGM/OGM and shall contain specific voting instructions for this particular meeting. The representation of shareholders in the EGM/OGM may be conducted by representatives by duly filling in and signing the form for the special power of attorney. The representation may be conducted both by other shareholders and by third parties. Shareholders lacking exercise capacity or with limited exercise capacity may provide other persons with a special power of attorney.

The special power of attorney shall be sent either (i) in original, to the Company's headquarters in Bucharest, 78-80 Buzeşti Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017 or (ii) by e-mail with extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: office@fondulproprietatea.ro, so that it is received by the Company by **22 April 2016, 15:00 o'clock** (Romanian time).

*Documents accompanying the special power of attorney:*

- a) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of the Company's shareholders on the Reference Date issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- b) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 4 March 2016 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) for **legal person shareholders**:
  - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the Company's shareholders list on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative; for the Ministry of Public Finance the capacity of

legal representative shall be proven by the appointment decree issued by the President of Romania – to this purpose, a copy of the Official Gazette in which the appointment decree was published or an excerpt of the law programme shall be provided; and

- copy of the identity card of the representative (the person especially delegated) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled.

The special power of attorney form:

- a) shall be made available to the shareholders by the Company starting with **4 March 2016** at the same coordinates and under the same conditions as the information materials;
- b) shall be updated by the Company if new items are added to the EGM/OGM agenda and shall be published on the Company's website in its updated form;
- c) shall be filled in by the shareholder in three counterparts: one for the shareholder, one for the representative, and one for the Company.

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Generally speaking, a shareholder may mandate only one proxy to represent him/her/it at the GSM. However, the special power of attorney may nominate other person(s) as substitutes empowered to represent the shareholder in case the said main proxy would be in impossibility to attend. The special power of attorney must provide the order under which the said substitutes vote in case the proxy does not attend the GSM.

#### ***Vote by representative holding a general power of attorney***

In opposition with the special one, the general power of attorney allows the proxy to vote on behalf of the shareholder in any aspect on the agenda of one or more companies identified in the power of attorney, including disposal acts. The duration of this general mandate cannot exceed 3 years.

**For the mandate's validity, the proxy must be either an intermediary (in accordance with Article 2 para. (1) point (14) of Law no. 297/2004) or an attorney at law for whom the shareholder is a client.** Also, the proxy should not be in a conflict of interest situation, such as:

- a) It is a majority shareholder of FP, or of another entity, controlled by that respective shareholder;
- b) It is a member of an administration, management or supervisory body of FP, of a majority shareholder or of another entity, controlled by that respective shareholder;
- c) Is an employee or auditor of FP or of a majority shareholder or of another entity, controlled by that respective shareholder;
- d) Is a spouse or relative (up to, and including, fourth degree filiation) of one of the individuals mentioned above.

The proxy cannot be replaced by another person. If the proxy is a legal entity, then the latter may carry out the general mandate through any of member of its administration/management body or of one of its employees.

In view of the GSM, and before their first use, the general power of attorneys are to be sent to the Company's headquarters in Bucharest, 78-80 Buzzești Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017 so that it is received by the Company by **22 April 2016, 15:00 o'clock** (Romanian time), in copy, certified as being the same with the original by the proxy. The said copies are retained by FP, and a mention of this is inserted in the minutes of the general shareholders' meeting.

*Documents accompanying the general power of attorney:*

- a) proof that the proxy is an intermediary in accordance with Article 2 para. (1) point (14) of Law no. 297/2004 or an attorney at law, and that the shareholder is the proxy's client;
- b) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of FP shareholders issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- c) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 4 March 2016 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- d) for **legal person shareholders**:
  - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the FP shareholders list issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA; however, if the shareholder did not inform timely Depozitarul Central SA of its legal representative (so that the shareholders' registry at the reference date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative; for the Ministry of Public Finances the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania – to this purpose, a copy of the Official Gazette in which the appointment decree was published or an excerpt of the law programme shall be provided; and
  - copy of the identity card of the representative (the proxy) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. FP shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled.

The documents with respect to the quality of the shareholder above-mentioned will not be necessary, if the general power of attorney is signed by that respective shareholder, and the proxy (intermediary/attorney at law) issues a declaration confirming that:

- a) the shareholder is a client of the proxy;
- b) the general power of attorney is signed by that respective shareholder (ink signed or through an extended electronic signature, as the case may be).

The said declaration must be submitted in original at FP (in the same time with the general power of attorney and at the same coordinates as indicated in this convening notice) signed and stamped (if the case) by the intermediary/attorney at law (without other criteria being necessary as pertaining with its form).

The general power of attorney form shall be made available to the shareholders by the Company starting from **4 March 2016** at the same coordinates and under the same conditions as the information materials.

### ***Vote by correspondence using the forms for voting by correspondence***

The vote of the shareholders at the EGM/OGM can also be expressed by correspondence, by duly filling in and signing the forms for the vote by correspondence.

The ballots by correspondence will be sent either (i) in original, personally, by representative or by any form of courier service with proof of delivery, to the Company's headquarters in Bucharest, 78-80 Buzești St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, or (ii) by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro, so that they are received by the Company by **22 April 2016, 15:00 o'clock** (Romanian time).

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Documents accompanying ballot papers:

- a) for **natural person shareholders** – copy of identity card, allowing for identification thereof in the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA and, if such be the case, a copy of the identity card of the legal representative (in the case of natural persons lacking exercise capacity or with limited exercise capacity) (identity document or identity card for Romanian citizens or passport for foreign citizens) along with the proof of legal representative capacity;
- b) in case of **collective natural person shareholders** by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 4 March 2016 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) for **legal person shareholders**:
  - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the general meeting convening notice, allowing for the identification thereof in the Company's list of shareholders on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders'

registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative; for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania – to this purpose, a copy of the Official Gazette in which the appointment decree was published or an excerpt of the law programme shall be provided.

Documents in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative drafted in a language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the legal representative capacity be notarised or apostilled.

The form of the vote by correspondence ballot:

- a) shall be made available to the shareholders by the Company starting with **4 April 2016** at the same coordinates and under the same conditions as the information materials and the forms for the special powers of attorney;
- b) shall be updated by the Company if new items are added to the EGM/OGM agenda and shall be published on the Company's website in its updated form.

If a shareholder voted by sending a ballot paper by correspondence, but then attends the EGM/OGM either personally or through a proxy (provided a special/general power of attorney has been submitted under the conditions above-mentioned), the correspondence vote shall be annulled and only the direct or the vote expressed through the proxy shall be taken into consideration. If the person representing the shareholder at the general shareholders' meeting is other than the person who expressed the correspondence vote, then for its validity, the proxy must present at the general meeting a written revocation of the correspondence vote, signed by the shareholder or by the representative who expressed the correspondence vote. This will not be applicable if the shareholder or its legal representative is present at the general meeting.

The general procedure for the organisation of general meetings (which shall be available at the same coordinates and in the same conditions as the information materials) details the procedure allowing both the vote by representative with special/general power of attorney and the vote by correspondence, and the shareholders must comply with the said procedure.

Special/General powers of attorney and ballots for voting by correspondence must be signed by all the natural person collective shareholders or their legal representatives (in the case of natural persons lacking exercise capacity or with limited exercise capacity), who shall assume both their capacity (proven by means of evidentiary documents attached to the special/general power of attorney/ballot) and the signature authenticity.

The checking and validation of the special/general powers of attorney submitted, as well as the centralization, checking, validation, and records of the votes by correspondence shall be performed by a commission established within the Company, whose members shall safely keep these documents, as well as the confidentiality of the votes thus expressed. Powers of attorney shall also be checked by the EGM/OGM secretary. In the event that the agenda is supplemented and the shareholders fail to send the updated special powers of attorney and/or ballots for voting by correspondence, the special powers of attorney and ballots sent prior to the supplementation of the agenda shall be considered only with reference to the items therein which are also found on the supplemented agenda. Additional information may be obtained from the Department for Shareholder Relations at

the telephone number 021-200 96 28 and on the Company's website: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

In accordance with the provisions of the related shareholders' resolutions of 29 October 2015 regarding the implementation of the legal provisions governing alternative investment fund managers, the last day of mandate of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch (FTIML) is 31 March 2016, and starting with 1 April 2016 the alternative investment fund manager of the Company is FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.Ă R.L. (FTIS). Consequently, the EGM and OGM will be chaired by FTIS and representatives of FTIML will be attending the meetings as well.

SOLE ADMINISTRATOR:

Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch

By: \_\_\_\_\_  
Oana-Valentina Truța  
Legal Representative