

Memo regarding the amendments to the Constitutive Act

Through the Extraordinary General Shareholders' Meeting Resolution no. 13/29 October 2015 the Constitutive Act of Fondul Proprietatea was amended, mainly in view of observing the legislation pertaining to the alternative investment fund managers.

The amendments are to be effective starting with 1 April 2016. The Financial Supervisory Authority ("FSA") endorsed these changes with certain proposal through Endorsement no. 25 / 28 January 2016, proposals described in the comparative table herein below. Also, FSA imposed that 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*".

In light of the said Endorsement, we would like to propose to the shareholders to approve these changes.

Form approved through the Extraordinary General Shareholders' Meeting Resolution no. 13/29 October 2015

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

"(20) Approves the delegation by the **Fund Manager** of certain activities. The delegation will be in force after the approval by or the notification to the FSA or any other competent authority, where required by legislation in force".

Article 20 shall be amended and shall read as follows.

"The **Fund Manager** shall appoint a natural person as its permanent representative. The **Fund Manager** can make changes of its permanent representatives (that are the legal representatives and managers of the Fund Manager), in accordance with the applicable law. All changes will be registered at Trade Register".

Article 21 paragraph (4) letter (viii) shall be amended and shall be read as follows:

"(viii) approve the outsourcing of certain activities, within the limits of the approved budget; respectively delegating the execution of certain activities, with the prior notification or endorsement of the FSA or of any competent authority, where required by applicable legislation;"

Article 36 paragraph (2) shall be amended and shall read as follows.

"(2) **Fund Manager** means the Alternative Investment Fund Manager authorised to perform all

Form imposed by FSA through Endorsement no. 25 / 28 January 2016 and which will be proposed for shareholders' approval on 26 April 2016

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".

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".

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

"(viii) approves 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;"

Article 36 paragraph (2) shall be deleted.

investment management functions and all other required functions for the purpose of managing Fondul Proprietatea in accordance with the applicable law”.

Sincerely,

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

Oana Valentina Truța
Legal Representative