

Procedure regarding the organization and holding of
General Shareholders' Meetings ("GSM")
of Fondul Proprietatea SA ("FP" or "Fondul Proprietatea")

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This procedure was approved by Decision of FP Board of Nominees no. 56/15 September 2015 and by Decision of the FP Investment Management Company no. 31/15 September 2015.

Chapter I. Introduction

Relevant provisions – The General Meeting of Shareholders of FP shall be held as per the provisions of:

- a) Law no. 297/2004 on capital market (“**LCM**”);
- b) Companies’ Law no. 31/1990 (“**CL**”);
- c) Regulation of the Romanian National Securities Commission – RNSC (CNVM) no. 15/2004 on authorisation and operation of investment management companies, collective investment bodies and depositories (“**Regulation 15/2004**”);
- d) Regulation of RNSC no. 6/2009 on the exercise of certain rights of shareholders within the general meetings of companies (“**Regulation 6/2009**”);
- e) Regulation of RNSC no. 4/2010 on the registration with RNSC and the operation of FP, as well as transactions of shares issued by FP (“**Regulation 4/2010**”);
- f) Regulation of RNSC no. 1/2006 on issuers and operations with securities (“**Regulation 1/2006**”);
- g) Regulation of the Financial Supervisory Authority – “FSA” – no. 4/2013 regarding depository receipts (“**Regulation 4/2013**”);
- h) Constitutive Act of FP (“**Constitutive Act**”);
- i) This procedure on the organisation and holding of GSM.

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The field of application of this procedure is described below, according to each individual criterion:

- a) personal (of individuals who must comply):
 - FP;
 - FP Shareholders and Holders of Global Depository Receipts (as described in Chapter 3 below, Section *Global Depository Receipts and Voting Rights*);
 - FP Board of Nominees (“**BoN**”);
 - Franklin Templeton Management Limited United Kingdom, Bucharest Branch, as Investment Management Company (“**Fund Manager**”) and Sole Director.
- b) material (type of general meeting):
 - Ordinary General Meetings of Shareholders (“**OGMS**”); and
 - Extraordinary General Meetings of Shareholders (“**EGMS**”)

OGMS is in charge of the following:

- a) to discuss, approve or amend the annual financial statements after reviewing the reports of the Fund Manager and of the financial auditor;
- b) to establish the distribution of the net profit and to establish the dividends;
- c) to appoint the members of the BoN and to cancel their appointment;
- d) to appoint the Fund Manager on the basis of the outcome of the selection conducted pursuant to a tender for appointing the Fund Manager, and to cancel its appointment;
- e) to appoint and cancel the appointment of the financial auditor and to set the minimum duration of the financial audit agreement;
- f) to set the level of the remuneration of the members of the BoN, the Fund Manager and of the financial auditor for the ongoing fiscal year;
- g) to rule on the management of the Fund Manager and to evaluate its performances and to discharge it from its liability;
- h) to decide on filing a law suit against the Fund Manager or, as the case may be, against the financial auditor, for damages caused to Fondul Proprietatea;
- i) to approve the strategy and the development policies of Fondul Proprietatea;
- j) to establish the annual income and expenditure budget and to approve the business programme for the following financial year;
- k) to decide upon the pledge, lease or creation of movable or immovable mortgages on the assets owned by Fondul Proprietatea;
- l) to decide on any other matters regarding Fondul Proprietatea, according to the legal duties.

EGMS is in charge of the following:

- a) set-up or closing of secondary units: branches, agencies, representative offices or other such units with no legal personality;
- b) share capital increase;
- c) share capital decrease or re-completion thereof by issuing new shares;
- d) conversion of shares from one category to another;
- e) conversion of a category of bonds to another category or to shares;
- f) issue of bonds;
- g) to approve the admission to trading and to nominate the regulated market on which the shares of Fondul Proprietatea will be traded;

- h) execution of any agreement/legal document which may create binding obligations to Fondul Proprietatea including, without limitation to, agreements for purchase, sale or exchange or creation of encumbrances of the assets of Fondul Proprietatea whose value exceeds, either individually or cumulatively during a financial year, 20% of the total non-current assets, save for any receivables;
- i) change of the management system of Fondul Proprietatea;
- j) limitation or cancellation of the shareholders' preference right;
- k) to approve the Investment Policy Statement;
- l) any other amendment to the constitutive act or any other resolution requiring the approval of the extraordinary general meeting of the shareholders under the law or the Constitutive Act.

Chapter II. Convening the GSM

The persons who are entitled to convene and/or request the convening of the GSM are:

- a) the Fund Manager – any time deemed necessary;
- b) the BoN – when required by the interest of FP, under the conditions set in the Constitutive Act;
- c) FP's shareholders who own at least 5% of the share capital.

The requests for convening GSM filed by the shareholders must comply cumulatively with the following conditions:

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- **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 for their identification in FP'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 GSM convening request, allowing for the identification thereof in FP'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 at the reference date; 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;
 - 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. FP shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled;

- they must be accompanied by a justification and/or a draft resolution proposed for passing, and
- they must be sent to and registered at FP's headquarters in Bucharest, 78-80 Buzesti Street, 7th floor, 1st 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.

Invitation document – GSM Convening Notice

In accordance with the applicable legal provisions and the provisions of the Constitutive Act, the GSM Convening Notice must include at least the following information:

- a) name of issuer;
- b) date of GSM, beginning time and location of the first and second convening, respectively;
- c) suggested agenda, including details of all matters to be discussed at the meeting;
- d) clear and accurate description of the procedures to be respected by the shareholders in order to be able to participate and vote during the general meeting;
- e) reference date (i.e. date set by the Fund Manager serving to identify the shareholders entitled to participate and vote in the GSM), as well as a note on the fact that only persons holding the title of shareholders at that date may participate and vote in GSM;
- f) if the agenda includes the appointment of BoN members, the convocation will mention that the list of information regarding the name, city of residence and professional qualification of the persons suggested as members of the BoN is available to the shareholders and may be viewed and filled out by them, as well as the deadline for submission of the applications;
- g) if the agenda includes proposals to amend the Constitutive Act, the convocation must include the full text of such proposals;
- h) the place where the full text of documents and draft resolutions may be found, the date of their availability as well as the related procedure to be followed;
- i) the web address of FP;
- j) the proposal of the Fund Manager for the registration date, and if the case, the proposal regarding the *ex date* and the payment date;
- k) the express indication that the right to vote may be exercised directly, by representative or by correspondence and the related requirements;

- l) the manner of distribution of the ballot paper and the special power of attorney form for GSM representation as well as the date of their availability;
- m) the deadline and the place where the special powers of attorney must be sent/received;
- n) the deadline for the shareholder to exercise his/her option by communicating the vote via correspondence;
- o) indication of exact address where votes are communicated via correspondence.

Registration date:

According to LCM, the identification of the shareholders who are to benefit from dividends or other rights and who also incur the effects of the FP GSM resolutions will be established by the meeting. The date will be subsequent to the GSM date by at least 10 working days.

Ex date:

According to Regulation 6/2009, the ex date is that date prior to the registration date, with a settlement cycle minus one day, starting with which the securities subject of the GSM Resolutions are traded without comprising also the rights conferred by those respective Resolutions. For exemplification purposes, if a shareholder sells his/her/its shares two days before the registration date of a GSM Resolution for the approval of cash distributions, the buyer of those respective shares will not be entitled to receive the said distributions.

Payment date:

According to Regulation 1/2006, the payment date is that calendar date upon which the distribution of income derived from the securities held by a respective shareholder becomes certain. The payment date must fall on a business day computed up to 15 business days following the registration date.

Special conditions of the GSM Convening Notice:

The GSM Convening Notice must be approved by the BoN, signed by the FP legal representative, published at least 30 days prior to the GSM in the Official Gazette Part IV and in a national newspaper and on FP's website; the current report announcing the GSM convening notice shall be communicated to the Financial Supervisory Authority and the Bucharest Stock Exchange.

Requests for adding new items on the agenda:

One or several shareholders, representing individually or together at least 5% of the registered share capital of FP, may require via a request addressed to the Fund Manager the introduction of additional issues on the agenda of EGMS and/or OGMS and/or may present draft resolutions for the items included or proposed for inclusion on the agenda of the EGMS and/or OGMS.

These proposals filed by shareholders must cumulatively comply with the following conditions:

- 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 FP's registry of shareholders kept by Depozitarul Central SA), and
- b) **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 GSM convening notice publication, allowing for the identification thereof in FP'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 at the reference date; 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;
 - 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. FP 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 GSM's agenda.
- c) they must be accompanied by a justification and/or a draft resolution proposed for passing, and
- d) they must be sent to and registered at FP's headquarters in Bucharest, 78-80 Buzesti Street, 7th floor, 1st 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, within 15 days as from the publication of the convening notice in the Official Gazette, Part IV.

In view of identifying and proving the shareholder capacity of a person making proposals for the supplementation of the GSM agenda (or who raises questions in accordance with Article 13 of Regulation 6/2009), FP may request that person to present an account statement ascertaining such capacity.

Chapter III. Reference Date, Shares, Global Depositary Receipts and Voting Rights

The *Reference Date* is the calendar date set by the Company's Sole Director, which serves for identification of the shareholders who are entitled to participate in GSM and vote therein. Only shareholders registered in the Company's shareholders' registry kept by Depozitarul Central SA on the

reference date set by the Fund Manager at the time of the GSM convening are entitled to participate in the GSM and vote after proving their identity under penalty of vote annulment.

The Fund Manager will request Depozitarul Central SA to provide the list of FP shareholders as at the reference date and will establish the voting rights as per FP's Constitutive Act. The file will be password-protected. The personal data protection rules must be observed.

Upon approval of BoN, the Fund Manager will set a reference date for the shareholders entitled to be notified and vote within the GSM; this date will also be valid if the GSM is convened again in case the quorum has not been met.

The reference date must be set by the issuer as follows:

- at least 5 (five) working days after the press publication date of the convening notice,
- not to exceed 60 days prior to the date when the GSM is convened for the first time,
- not to exceed 30 days prior to the applicable GSM date,
- before the deadline for the submission/receipt of special powers of attorney and ballot papers – in case of voting by correspondence,
- at least 8 days (first and last day excluded) must be allowed between the permitted deadline for convening the general meeting and the reference date.

Shares and voting rights

Each share paid by the shareholders, according to the law, entitles them to vote in the GSM, to choose and to be chosen in management bodies, to participate in profit distribution, as per the Constitutive Act and legal provisions, and other rights set forth in the Constitutive Act. Share-related rights and obligations follow the shares if they are transferred to another holder.

Shares issued by FP entail the right to vote, following the rule “one paid share = one vote”.

Global Depositary Receipts and Voting Rights

In accordance with Regulation 4/2013, the holders of Global Depositary Receipts (“GDRs”) (issued based on the shares issued by FP) can vote within the FP's GSMs 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 6/2009.

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 a GSM made available by FP.

The Issuer of the GDRs will vote in the GSM in accordance and within the limits of the instructions of the GDR's holders (having this quality at the reference date of a respective GSM), as well as with the observance of the provisions comprised in the GDR issuance documents.

For computing the quorum of a respective GSM, 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 instruct FP about the percentage of the voting rights corresponding to the supporting shares for which it will cast votes, issuing a declaration in this respect for each GSM.

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 a specific GSM, so that this information may be sent 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 a respective GSM.

Chapter IV. Exercising the Voting Right

As described above, GDR holders will vote through the help of the Issuer of the GDRs, by sending to the latter the voting instructions for the points on the agenda of each specific GSM.

FP shareholders may vote as follows:

- (i) in person, within GSM – direct vote,
- (ii) via representative by special or general power of attorney, or
- (iii) via correspondence.

Direct voting, as well as *voting by representative with a special or general power of attorney* in GSM may be exercised as follows:

- a) electronically – in this case electronic cards may be used by inserting them into card readers or generally speaking any other electronic means of voting may be used provided that
 - (i) FP management has previously approved the necessary procedures to be considered in such case, and
 - (ii) the respective electronic means of direct voting allow for a subsequent verification of the manner in which votes were cast during the meeting, and also for each attending shareholder to verify their exercised vote;

or

- b) by using ballot papers – in this case, FP may use electronic means for collecting and numbering the casted votes such as applying code bars on the ballot papers or other methods alike.

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 FP 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 procedure stipulated at the end of this chapter (*Special conditions regarding collective natural person shareholders*);
- c) in the case of **legal persons shareholders**, by presenting:
- (i) 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 FP shareholders on the reference date issued by Depozitarul Central SA;
 - (ii) 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 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;
 - (iii) the identity card or passport of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- d) 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. FP 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, BoN members, FP employees, to represent them and vote in GSM based on a special or a general power of attorney.

Vote by representative holding a special power of attorney

A special power of attorney may be given for a single shareholders’ meeting and shall contain specific voting instructions for that particular meeting. To this end, FP shall make available to the shareholders special power of attorney forms drafted both in Romanian and English, with the shareholders being free to fill in either the Romanian or the English form.

The special power of attorney must include the following mandatory elements:

- a) FP shareholder's identification data and his/her ownership (number of held shares) as compared to the total number of shares issued by FP and total number of voting rights; and
- b) identification data of the representative (the person especially delegated); and
- c) date, place and time of the respective GSM; and
- d) date of special power of attorney; those bearing a subsequent date determine the revocation of those bearing a foregoing date; and
- e) clear indication of each issue to be voted on – and the possibility for the shareholder to vote “for”, “against” or “abstained”;
- f) name and the authorized signature of the FP shareholder.

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 FP 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); in case of collective natural person shareholders the procedure stipulated at the end of this chapter (*Special conditions regarding collective natural person shareholders*) shall be observed;
- b) for **legal person shareholders**:
 - (i) 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 on the reference date issued by Depozitarul Central SA;
 - (ii) 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 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
 - (iii) 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. FP shall not request that the documents attesting the shareholder's legal representative capacity, be legalized or apostilled.

The special power of attorney is only valid for the requested GSM; the representative must vote in accordance with the instructions provided by the shareholder who has appointed him/her, under the penalty of annulling the vote.

The person representing several shareholders based on special powers of attorney, shall vote by cumulating the total number of the votes "for", "against" or "abstained", without compensating them.

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.

Special requirements for powers of attorney:

The Fund Manager must publish on the FP website the template of the special power of attorney at least 30 days prior to the date of the GSM, but no later than the publishing date of the Convening Notice. If the meeting agenda is amended after the Convening Notice is published, the Fund Manager must publish the updated special power of attorney template on the FP website.

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The shareholder exercising its voting right in this manner must communicate the special power of attorney either (i) **in original**, to the address indicated in the convening notice or (ii) **by e-mail, with incorporated extended electronic signature** as per Law no. 455/2001 on the electronic signature to office@fondulproprietatea.ro, so that it is received by FP **48 hours** before the date of the first GSM convocation.

Special powers of attorney may be not taken into consideration in any of the circumstances below:

- a) the power of attorney was not (i) submitted **in original 48 hours prior to the GSM** or (ii) it was not sent by e-mail **with incorporated extended electronic signature** as per Law no. 455/2001 on the electronic signature, to office@fondulproprietatea.ro, **48 hours prior to the GSM**; or
- b) empowered persons have the capacity of Fund Manager representatives or Fund Manager employees, BoN members and/or FP employees; or
- c) the power of attorney does not contain the FP shareholder's identification data; or
- d) the power of attorney does not contain the representative's (person whom the special power of attorney is granted to) identification data; or

- e) powers of attorney given under private signature are not accompanied by the documents indicated in this chapter; or
- f) the power of attorney does not contain the name and authorised signature of the FP shareholder; or
- g) the power of attorney does not contain the essential elements mentioned in the convening notice and/or in the legal regulations.

Powers of attorney received in due course by FP and which are taken into consideration by FP, but which are affected by any of the faults below shall be taken into consideration for establishing the presence quorum but shall not be taken into consideration when voting on the resolution they relate to:

- a) they are illegible; or
- b) they contain contradictory or confusing options; or
- c) are expressed conditionally.

Vote by representative holding a general power of attorney

In opposition with the special ones, 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.

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For the mandate's validity, the proxy must be either an intermediary or 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 its employees.

Before their first use, the general power of attorney are submitted with FP with 48 hours before the shareholders' meeting, or within the deadline provided in the Company's Constitutive Act, 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.

The general power of attorney must include the following mandatory elements:

- a) FP shareholder's identification data; and
- b) identification data of the representative (the proxy); and
- c) date of the general power of attorney and the duration of the mandate (the general power of attorneys bearing a subsequent date will revoke prior such power of attorneys);
- d) the mention that the shareholder empowers the proxy to vote and to participate in his/her/its behalf in the GSM with the entire participation of that shareholder at the reference date of a respective GSM (with the specific mention that the general power of attorney includes FP's shareholders' meetings);
- e) name and the authorized signature of the FP shareholder.

Termination of the general mandate

The general power of attorney shall cease through:

- a) written revocation of the principal shareholder (in Romanian or English), sent to FP with 48 hours before a respective GSM (organized inside the mandate) at the latest;
- b) losing the quality of shareholder at the reference date of a specific GSM (organized inside the mandate);
- c) losing the quality of intermediary or lawyer by the proxy.

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 LCM 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 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); in case of collective natural person shareholders the procedure stipulated at the end of this chapter (*Special conditions regarding collective natural person shareholders*) shall be observed;
- c) for **legal person shareholders**:
 - (i) 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 on the reference date issued by Depozitarul Central SA;

- (ii) 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 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
- (iii) 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 will not be necessary, if the general power of attorney is signed by that respective shareholder, and the intermediary/ attorney at law issues a declaration confirming that:

- a) the shareholder is a client;
- 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 the convening notice) signed and stamped (if the case) by the intermediary/attorney at law (without other criteria being necessary as pertaining with its form).

Requirements for general powers of attorney:

The Fund Manager will publish on the FP's website the template of the general power of attorney at least 30 days prior to the date of the GSM, but no later than the publishing date of the Convening Notice.

General power of attorney may be not taken into consideration in any of the circumstances below:

- a) the power of attorney was not submitted, in a certified copy by the proxy, within 48 hours prior to the GSM; or
- b) empowered persons have the capacity of Fund Manager representatives or Fund Manager employees, BoN members and/or FP employees; or

- c) the power of attorney does not contain the FP shareholder's identification data; or
- d) the power of attorney does not contain the representative's identification data; or
- e) powers of attorney are not accompanied by the documents indicated in this chapter; or
- f) the power of attorney does not contain the name and authorised signature of the FP shareholder; or
- g) the proof that the proxy is either an intermediary or attorney at law to whom the shareholder is a client has not been made; or
- h) the proxy's mandate has expired; or
- i) there is a conflict of interest situation or a statement issued by the shareholder or proxy stating that there is not a conflict situation has not been submitted (for the sake of clarification, the template general power of attorney made available by FP will include such a statement, but if the shareholder does not use the said template, then the a corresponding statement issued by the shareholder and proxy must be provided).

Voting by correspondence

Voting by correspondence may be used by any shareholder, legal or natural person, within any kind of GSM. With a view to shareholders' exercising their vote by correspondence, FP will prepare, print and provide shareholders at its own expense with the special ballot papers for each GSM, drafted both in Romanian and English, with the shareholders being free to fill in either the Romanian or the English form.

The ballot paper shall include the following compulsory elements:

- a) the ballot paper shall contain information on the identity of the shareholder and their holding;

the ballot paper shall contain blank spaces to this purpose, to be filled in with complete identification data of shareholders, respectively: (i) *for natural persons*: first name, last name, residence address, social security number (for Romanian citizens) and identity card series, number and issuer (for foreign persons), as well as number of shares held and related voting rights and (ii) *for legal persons*: name, registered office, sole registration code and registration number with the Trade Registry (not required for the Ministry of Public Finances) (for Romanian entities), and the registration number with the appropriate registry in the state of origin (for foreign entities), first name, last name, identity card series, number and issuer of the legal representative, as well as the number of shares held and related voting rights;
- b) date, place and time of the respective GSM;
- c) each item on the agenda must be accompanied by one of the three voting options ("for", "against" "abstained");

- d) express note according to which: “the shareholder must select only one option of those indicated above” under the penalty of vote annulment, if applicable;
- e) filling in of ballot papers by shareholders as follows: (i) for natural persons – **natural person** shareholders shall personally sign the ballot paper and they will undertake full and exclusive responsibility for the capacity of shareholder and the genuineness of the signature; for shareholders who are **natural persons lacking exercise capacity or having limited capacity**, ballot papers by correspondence shall be signed by their legal representatives who shall undertake both the capacity (proven by supporting documents attached to the ballot paper) they hold and the genuineness of the signature; for collective natural person shareholders, ballot papers by correspondence shall be signed in accordance with the procedure stipulated at the end of this chapter (*Special conditions regarding collective natural person shareholders*) (ii) for legal persons, the ballot papers by correspondence shall be personally signed and, as the case may be stamped, by the legal representative of the legal person and the signing person shall undertake full and exclusive responsibility for the genuineness of the capacity and signature. In the case of the Ministry of Public Finances, the ballot papers by correspondence shall be signed by the Minister of Public Finances or, if he/she is not in Bucharest, by the person exercising the Minister of Public Finances’ duties on the day of the correspondence vote – in this case, the correspondence vote shall be accompanied by a copy of the order of the Minister of Public Finances regarding the delegation of a person to fulfil his/her responsibilities for the period of time in question;
- f) ballot papers must be dated and contain the name and authorised signature of the FP shareholder;
- g) ballot papers shall be communicated to FP either (i) **by e-mail, with incorporated extended electronic signature** as per Law no. 455/2001 on the electronic signature, to office@fondulproprietea.ro, or (ii) **in original**, personally, by a representative, by mail or courier service to the address indicated in the convening notice;
- h) submission of the ballot papers with the FP registration office as per the instructions in the convening notice;
- i) registration thereof with the FP registration office within the deadline indicated in the convening announcement under the sanction of the ballot papers’ annulment by the Commission in charge of checking and polling votes by correspondence and of not taking it into consideration for quorum purposes.

Documents accompanying ballot papers:

- a) for **natural person shareholders** – copy of identity card, allowing for identification thereof in the list of FP 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; in case of collective natural person shareholders the procedure stipulated at the end of this chapter (*Special conditions regarding collective natural person shareholders*) shall be observed;

b) 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 FP’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 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;

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. FP shall not request that the documents attesting the legal representative capacity, be notarised or apostilled.

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Ballot papers may not be taken into consideration, in any of the following cases:

- a) the (i) original has not been submitted by the deadline set in the convening notice, or (ii) have not been sent by email, bearing incorporated extended electronic signature as per Law no. 455/2001 on electronic signature, to the address office@fondulproprietatea.ro, within the deadline set in the convening notice; or
- b) they do not comprise the identification data of the FP shareholder; or
- c) they are not accompanied by the documents indicated in this chapter; or
- d) they do not comprise the name and authorised signature of the FP shareholder; or
- e) they do not comprise essential elements mentioned in the convening notice and/or the legal provisions; or
- f) they are illegible; or
- g) they comprise contradictory or confusing options; or
- h) they are expressed conditionally.

If a shareholder voted by sending a ballot paper by correspondence, but then attends the GSM 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.

Special requirements for ballot papers:

Ballot papers must be published on the FP website at least 30 days prior to the date of the GSM, but no later than the publishing date of the Convening Notice.

The Commission in charge of the vote by correspondence and of checking special powers of attorney shall be appointed by Fund Manager Decision.

The Commission is comprised of at least 3 members, of which at least one having legal education. The Fund Manager shall appoint one of the Commission members as president who will coordinate the activity of the Commission.

The Commission will have the following duties:

- a) to check and centralise powers of attorney and correspondence ballot papers;
- b) to prepare minutes recording the Commission's conclusions; they must include the following: (i) information on the total number of votes cast by correspondence in order to determine quorum requirements' fulfilment; (ii) result of the vote by correspondence for each resolution (number of votes for/against/abstentions); (iii) number of annulled votes and related reasons; (iv) result of powers of attorney check; (v) comments – if applicable.
- c) to ensure confidentiality of votes transmitted by correspondence, as well as of powers of attorney content, until the time of submitting to vote within the meeting of each resolution on the agenda.
- d) the president of the Commission or, in his/her absence, the person appointed by the Commission to replace him/her, shall communicate to the meeting chairman the information required to determine the quorum and the results of the vote for each issue on the agenda, as presented in the Commission's minutes.

Powers of attorney shall also be checked by the GSM secretary.

Special conditions regarding collective natural person shareholders

Proof of identity

Collective natural person shareholders shall exercise their right to vote and the expressed votes shall be taken into consideration only if the shareholder complies with the following conditions concerning the proof of identity:

- a) for direct voting – by presenting each shareholder’s identity documents, being necessary the attendance of all shareholders (the identity documents presented by the shareholders must allow for them to be identified on the list of FP shareholders on the reference date issued by Depozitarul Central SA); if only some instead of all the identity documents of the collective shareholders are presented, or if only some instead of all shareholders are attending the meeting, the collective shareholders may not exercise their voting right;
- b) for voting via a representative with a special/general power of attorney – by presenting copies of all shareholders identity documents allowing the identification thereof on the list of FP shareholders on the reference date issued by Depozitarul Central SA and a copy of the representative’s identity document (identity document or identity card for Romanian citizens or passport for foreign citizens, with personal number code (CNP) – if such exists in the country of origin); also, for general power of attorney requirements, please refer to this Chapter IV, Section *Vote by representative holding a general power of attorney* above;
- c) for voting by correspondence – by presenting copies of all shareholders identity documents, with legible personal number code (CNP) – if such exists in the country of origin, allowing for them to be identified on the list of FP shareholders on the reference date issued by Depozitarul Central SA and, as the case may be, a copy of the legal representative’s identity document (for natural persons lacking exercise capacity or with limited exercise capacity) (identity document or identity card for Romanian citizens or passport for foreign citizens, with legible personal number code (CNP) – if such exists in the country of origin) along with the proof of the legal representative capacity;
- d) for all the situations mentioned above, documents presented in a foreign language (save for identity documents valid on the Romanian territory, in Latin characters) shall be accompanied by their translation into Romanian or English, except for documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by a 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 notarised or apostilled.

Exercising the vote by special/general power of attorney and the vote by correspondence

Special/General powers of attorney and correspondence ballot papers shall be signed by all collective natural person shareholders or their legal representatives (for natural persons lacking exercise capacity or with limited exercise capacity) and the latter shall undertake both their capacity (proven by evidentiary documents attached to the special power of attorney/ballot paper) and the signature authenticity.

Chapter V. Quorum – Validity of General Meetings’ Deliberations

The quorum shall be checked by the meeting chairman for each separate resolution, prior to voting on the said resolution.

OGMS Quorum

For OGMS deliberation validity purposes, the following is compulsory:

- a) on the first calling, the presence of shareholders representing at least a fourth of all voting rights (25%), and OGMS resolutions shall be passed by a majority of expressed votes.
- b) on the second calling, OGMS may deliberate on the agenda issues regardless of the quorum, passing decisions by a majority of expressed votes.

EGMS Quorum

For EGMS deliberation validity purposes the following is compulsory:

- a) on the first calling, the presence of shareholders representing at least a fourth of all voting rights (25%), and the resolutions shall be taken by a majority of votes of present or represented shareholders;
- b) on the second calling, the General Meeting of Shareholders may deliberate on the agenda issues of the first meeting in the presence of shareholders representing at least one fifth of all voting rights (20%), resolutions shall be adopted by majority of votes of present or represented shareholders;
- c) for EGMS deliberation validity on passing decisions regarding the increase of share capital, except for rightful increases of share capital, anticipated dissolution of FP, both first and second calling require the presence of shareholders representing at least 50% of all voting rights.
- d) for EGMS deliberation validity on passing decisions regarding decrease of share capital, it is required the presence of (i) 25% of all voting rights at the first calling; and (ii) 20% of the total number of shares giving voting rights, at the second calling.
- e) the resolution to amend FP's main object of activity, to decrease or increase the share capital, to change the legal form, to merge, divide or dissolve, is adopted by a majority of at least two thirds of the voting rights held by present or represented shareholders.

Secret Vote

Secret vote is compulsory for the election and dismissal of BoN members, financial auditors and for passing measures/decisions regarding Fund Manager, BoN members and FP financial auditors' responsibility.

Whenever the agenda of a GSM has any of the items mentioned above triggering the secret vote to be applicable, the following shall be observed:

- The convening notice shall indicate the points which shall require a secret vote;
- Only the members of the Commission shall be in charge with receiving and registering the power of attorneys and correspondence votes; no other person/employee within the Fund Manager shall have access to the documents mentioned above;

- The correspondence votes shall be expressed through means which do not allow the manner of the vote, save for the members of the Commission. The Commission shall be in charge also with the validation and counting of the secret votes expressed through correspondence votes;
- With respect to the points on the agenda requiring a secret vote the Shareholders shall use only the manner of voting made available by the Fund Manager to exercise their vote which ensures the secrecy of the vote and shall not under any circumstances vote openly such as by raising hands, nor communicate to other shareholders the manner under which they voted, so that no influence on how one votes during the GSM is exercised;
- The Fund Manager shall ensure that the manner under which the shareholders voted with respect to the points on the agenda requiring a secret vote remain confidential.

Chapter VI. Documents Subsequent to GSM

Minutes of the GSM

- a) find the fulfilment of convening formalities, GSM date and place, present shareholders, present BoN members, number of shares, summarized debates, decisions passed and, upon shareholders' request, statements made during the meeting;
- b) are signed by: (i) technical secretary (ii) secretary appointed from among the shareholders (iii) the chairman of the meeting.

GSM Resolutions

- a) GSM draft Resolutions are published on www.fondulproprietatea.ro along with the other documents (*i.e.* 30 days prior to GSM meeting);
- b) are passed by open vote (except for those passed by secret vote);
- c) attest the fulfilment of requirements related to their passing;
- d) are prepared based on the minutes and signed by the person empowered to this end by the shareholders;
- e) shall be registered in the GSM registry of resolutions;
- f) shall be registered with the Trade Registry within 15 days after the date of their approval; if prior authorisations/endorsements are required as per applicable laws and regulations the deadline shall be computed from the date when such authorisations/endorsements were obtained;
- g) shall be published on the FP website after registration with the Trade Registry.

Chapter VII. GSM General Rules

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- a) On the day and at the time set in the convening notice, the GSM meeting will be commenced by the Fund Manager legal representative, or in his/her absence, by his/her replacement. BoN members will also attend the GSM.
- b) GSM will select from the present shareholders 1 to 3 secretaries.
- c) The Fund Manager legal representative may appoint from the Fund Manager's employees one or several technical secretaries to fulfil tasks assigned to them under the legal provisions.
- d) Except for cases when the GSM decides otherwise, press representatives are not allowed in the meeting room.
- e) All discussions held within the GSM are audio and video recorded. If participants want to obtain a copy of the recordings, they will be available at the FP registered office, in exchange for a fee (the cost will not exceed the value of expenses incurred by FP in relation to transferring the audio and video recording to material support), within 15 days after the GSM date.
- f) Only shareholders may take part to the debates. To this end, each shareholder may speak by raising his/her hand. For accurate minutes of the meeting purposes, each shareholder will state his/her full name when taking the word. Within the GSM meeting, shareholders may only speak about subjects indicated on the agenda. In order for all interested shareholders to be able to speak within the GSM, each shareholder shall limit his/her speech to maximum 3 minutes. If one of the shareholders exceeds the indicated limit, the Chairman may proceed to interrupt that respective shareholder. In accordance with the provisions of Art. 129 par. (7) of CL, all discussions and speeches, as well as votes for the passing of decisions shall strictly refer to the issues on the meeting agenda.
- g) *For a correct determination of quorum and voting results for each resolution, it is forbidden to exit or enter the meeting room between the checks related to quorum and the completion of the voting on the respective resolution.*
- h) The solemnity of the GSM meeting will be ensured by the meeting Chairman, who may have persons disturbing the meeting or offending the other participants leave the GSM meeting.
- i) Within 24 hours as from the closing of the GSM meeting, the Fund Manager will post on the website www.fondulproprietatea.ro the provisional results of the passing of agenda issues. Within 15 days as from the closing of the GSM, subsequently to the control made by the Fund Manager regarding the compliance with the provisions of this procedure regarding the vote by correspondence, vote by representation and any other factors regarding the validity of the organization and holding of the GSM, the Fund Manager will reconcile the voting results. The Fund Manager will post the final results on the website www.fondulproprietatea.ro whether they are different from the provisional ones or not.