

CONVENING NOTICE OF THE EXTRAORDINARY AND ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF S.C. FONDUL PROPRIETATEA S.A.

Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, with its headquarters in Bucharest, 78-80 Buzești St., 7th and 8th floors, 1st District, registered with the Trade Register under no. J40/8587/2009, with Sole Registration Code RO 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 S.C. FONDUL PROPRIETATEA S.A., a joint-stock company, organized as a closed-end investment company, with its headquarters in Bucharest, 78-80 Buzești St., 7th floor, 1st District, registered with the Trade Register under no. J40/21901/2005, with Sole Registration Code 18253260, with a subscribed registered share capital of RON 13,778,392,208 and a paid-up share capital of RON 13,412,780,166 (the Company),

Considering

- The provisions of Articles 12 - 13 of the Company's Constitutive Act in force, as was approved by the shareholders of SC Fondul Proprietatea SA;
- The provisions of Law no. 31/1990 on companies, republished, with its subsequent amendments and additions (Law 31/1990);
- The provisions of Law no. 297/2004 on the capital market, with its subsequent amendments and additions (Law 297/2004);
- The provisions of Emergency Ordinance of Government no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies as well as for the amendment and supplementing of Law no. 297/2004 on capital market;
- The provisions of Articles 147-158 of CNVM Regulation no. 15/2004 on the authorization and operation of investment management companies, of collective investment undertakings, and of trustees, with its subsequent amendments and additions;
- The provisions of CNVM Regulation no. 6/2009 on exercising certain rights of the shareholders at the general meetings of companies, with its subsequent amendments and additions (Regulation 6/2009);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of 'Fondul Proprietatea' SA company, as well as on the transactions with shares issued by this company;

Convokes:

- I. The Extraordinary General Meeting of Shareholders (EGM) of S.C. Fondul Proprietatea S.A. for 23 November 2012, 10.00 am (Romanian time), at Hotel JW Marriott – Constanta Ballroom from Bucharest, 90th, 13 September Road, 5th district.**
- II. The Ordinary General Meeting of Shareholders (OGM) of S.C. Fondul Proprietatea S.A. for 23 November 2012, 11.00 am (Romanian time), at Hotel JW Marriott – Constanta Ballroom from Bucharest, 90th, 13 September Road, 5th district.**

Only the persons registered as shareholders of the Company on 5 November 2012 ('reference date') in the register of shareholders kept by S.C. Depozitarul Central S.A., have the right to participate and vote at the EGM and OGM.

III. The agenda of EGM is as follows:

1. The approval of the EGM agenda.
2. The extension until 30 June 2013 of the authorisation of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch in order to start to perform the activities mentioned in Extraordinary General Meeting of Shareholders Resolution no. 11 on 27 June 2012, in relation to the secondary listing of the Company on the Warsaw Stock Exchange.
3. The empowerment, with authority to be substituted, of Mr. Grzegorz Maciej Konieczny, as legal representative of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, 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. The approval of 17 December 2012 as the registration date, in accordance with the provisions of Article 238, Paragraph (1) of Law no. 297/2004.

IV. The agenda of OGM is as follows:

1. The approval of the OGM agenda.
2. The approval of 2013 budget of SC Fondul Proprietatea SA.
3. The appointment of DELOITTE AUDIT S.R.L. with headquarters in Bucharest, 4-8 Nicolae Titulescu Street, 3rd Floor, 1st district, registered with Trade Register under no. J40/6775/1995, Sole Registration Number RO7756924 as the financial auditor of the Company the setting of the duration of the financial audit agreement for the period strating with the date of approval of the decsiioon and 31 August 2013; setting of the object of the financial audit agreement: audit of the financial statements of the Company for the year ended December 31, 2012, (the financial statements prepared in accordance with Romanian Accounting Standards, individual IFRS and consolidated IFRS) and setting of the level of remuneration for the financial auditor for the current financial year (the remuneration is included in the financial audit service provision agreements).
4. The empowerment, with authority to be substituted, of Mr. Grzegorz Maciej Konieczny, as legal representative of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, 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. The approval of 17 December 2012 as the registration date, in accordance with the provisions of Article 238, Paragraph (1) of Law no. 297/2004.

If the legal conditions for holding the EGM or the OGM are not met on the date of the first convocation, a new EGM and / or OGM, if the case, shall be convoked for 26 November 2012, at 10.00 (Romanian time) for EGM and at 11.00 (Romanian time) for OGM, having the same agenda. If there is a new convocation, the reference date set for identifying the shareholders entitled to participate and vote at the EGM and OGM is the same. OGM and EGM shall take place at the headquarters of the Company.

The right to include new points on the agenda. The right to present drafts of resolutions for the points on the agenda or on the points proposed on the agenda of the meeting.

In accordance with the provisions of Article 117, paragraph 1, of Law 31/1900, Article 7 paragraph 1 of CNVM Regulation 6/2009, and with the provisions of Article 13, paragraph 5, of the Company's Constitutive Act, one or several shareholders, representing individually or together at least 5% of the share capital of the Company, may request through a request submitted to the Sole Administrator of the Company, the introduction of additional issues on the agenda of EGM and/or OGM and / or the presentation of draft resolutions for the items included or proposed to be included on the agenda of the EGM and/or OGM. These suggestions must comply, cumulatively, with the following conditions:

- a) For individuals, they must be accompanied by copies of the identity documents of the shareholders (identification document or identification card), and for legal entities the copy of the identity document of the legal representative (identification document or identification card), and the original or a certified copy of the certificate issued by the Trade Register within the last 365 days (for legal entities) or any other relevant document that proves the registration with the competent authority;
- b) They must be accompanied by a justification and/or by a draft of resolution submitted for adoption, and
- c) They must be sent by any type of courier, with proof of delivery and registered at the Company's headquarters mentioned above or by e-mail with the extended electronic signature incorporated, in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro by 31 October 2012, 6 pm (Romanian time).

Information materials and questions related to the agenda

Each shareholder, irrespective of how many shares it owns in the 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 mentioned above or by e-mail at office@fondulproprietatea.ro by 21 November 2012, 10.00 am (Romanian time). The Company shall answer the questions asked by the shareholders during the meetings, questions which shall be subsequently posted, together with their answers, on the website of the Company: www.fondulproprietatea.ro.

Commencing with 23 October 2012, all the information materials regarding the issues included on the agenda of EGM and OGM, the resolution drafts proposed for adoption at the general meetings and the general procedure for organizing general meetings (including the procedure for voting through a representative and the procedure which allows voting by correspondence), shall be available on working days at the Company's headquarters mentioned above, from 09.00 to 17.00 (Romanian time), as well as on the official website of the Company: www.fondulproprietatea.ro. The shareholders of the Company may receive, upon request, copies of the documents related to the issues on the agenda of EGM and OGM.

The attendance to the General meeting

The shareholders registered in the register of shareholders on the reference date may attend the EGM and/or OGM and vote in person, through a representative, or by correspondence.

The detailed procedure regarding the organization of general meeting of shareholders is available on the Internet page of the Company www.fondulproprietatea.ro and includes the proxy voting procedure and voting by correspondence.

The access of the shareholders entitled to participate to the EGM and/or OGM is allowed with the simple proof of their identity as follows:

- a) for individuals, with the identity document;
- b) for legal persons, with a copy of the registration certificate or the equivalent thereof and with the identity document of the legal representative, or, as applicable, with the documents certifying the status of legal representative of the legal person (if the legal representative of the legal entity does not participate to the EGM and/or OGM),
- c) for the case when a representative is attending, the documentation mentioned above at a) and b) and the special power of attorney.

The status of legal representative (applicable to all forms of exercising the vote) is proven by the presence of a certificate issued by the Trade Register (or by other institution with a similar power in the country of residence of the shareholder foreign legal person), in its original counterpart or certified copy, issued within no more than 365 days before the date of the first convocation of the EGM and/or OGM. The documents submitted in a foreign language other than English, shall be accompanied by their translation in Romanian or in English. For the individuals who are collective shareholders, a special power of attorney stating the designation of a sole representative and copies of the identity documents of the shareholders shall be submitted.

The vote through a representative designated through a special power of attorney

At EGM and/or OGM, the shareholders can be represented only by filling in and signing the form for the special power of attorney. The special power of attorney can be sent to the Company's headquarters mentioned above, in original, by any form of courier, with proof of delivery, or by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: office@fondulproprietatea.ro, by 21 November 2012, 10.00 am (Romanian time). The special power of attorney are considered if they are registered at the Company's headquarters by 21 November 2012, 10.00 am (Romanian time), subject to the sanction of losing the right to vote by representative at the EGM and/or OGM. The shareholders can be represented by other shareholders, or by third parties. The shareholder with no exercise ability may grant a special power of attorney to other people. The representatives of the Company cannot be granted a power of attorney to represent shareholders at the EGM and/or OGM. In the procedure regarding the organization of the general meetings of shareholders, the procedure for the vote by representation shall be detailed, and the shareholders are bound to comply with this procedure, subject to the sanction of losing the right to vote by representative at the EGM and/or OGM. If the legal conditions for holding the EGM and / or the OGM are not met on the date of the first convocation thereof, the deadline for sending the new special power of attorney for the new EGM and / or OGM, if it is the case, is 21 November 2012, 10.00 am (Romanian time).

The special power of attorney form:

- a) Shall be made available to the Company's shareholders starting 15 October 2012 at the same coordinates and under the same conditions as the information materials;
- b) Shall be drafted by the Company in a clear and exact written format, in accordance with the applicable legislation, and shall enclose the manner of identifying the status as shareholder and the number of shares owned, as well as the specification for the vote 'for' or 'against' or 'abstention' for each of the issued under approval;
- c) shall be updated by the Company if new issues are added to the agenda of the EGM and/or OGM;
- d) shall be filled in by the shareholder in three counterparts: one for the shareholder, one for the representative, and one for the Company;

- e) shall be sent by the shareholder, together with a copy of the shareholder's identity document, for individuals, or with the copy of the registration certificate or the equivalent thereof and of the identity document of the legal representative, for legal persons.

The vote through correspondence using the forms for the vote through correspondence

The vote of the shareholders at the EGM and/or OGM can also be expressed by correspondence, by filling in and signing the forms for the vote by correspondence. The forms for the vote by correspondence will be sent, by any form of courier, with proof of delivery, in original, to the Company's headquarter mentioned above, or by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: office@fondulproprietatea.ro, by the 21 November 2012, 10.00 am (Romanian time). The forms for the vote by correspondence are considered if they are registered at the Company's headquarters by 21 November 2012, 10.00 am (Romanian time), subject to the sanction of losing the right to vote by correspondence at the EGM and/or OGM. In the general procedure regarding the organization of the general meetings of shareholders, the procedure for the vote by correspondence shall be detailed, and the shareholders are bound to comply with this procedure, subject to the sanction of losing the right to vote by correspondence at the EGM and/or OGM. If the legal conditions for holding the EGM and / or the OGM are not met on the date of the first convocation thereof, the deadline for sending the new special power of attorney for the new EGM and / or OGM, if it is the case, is the same, respectively 21 November 2012, 10.00 am (Romanian time).

The form of the vote by correspondence:

- a) shall be made available to the Company's shareholders starting 15 October 2012 at the same coordinates and under the same conditions as the information materials and the forms for the special power of attorney;
- b) shall be drafted by the Company in a clear and exact written format, in accordance with the applicable legislation, and shall enclose the manner of identifying the status as shareholder and the number of shares owned, as well as the specification for the vote 'for', 'against' or 'abstention' for each of the item under approval;
- c) shall be updated by the Company if new issues are added to the agenda of the EGM and/or OGM;
- d) shall be sent by the shareholder, together with a copy of the shareholder's identity document, for individuals, or with the copy of the registration certificate or the equivalent thereof and of the identity document of the legal representative, for legal persons.

The checking and validation of the special powers of attorney submitted, as well as the centralization, checking, validation, and records of the votes by correspondence, shall be performed by a commission organized within the Company, and the members of this commission are to safe keep these documents, as well as protect the confidentiality of the votes expressed like that.

Additional information may be requested from the Department for Shareholder Relations, at the phone number 021-200 96 28 or on the Company's website: www.fondulproprietatea.ro.

Grzegorz Maciej KONIECZNY
Legal Representative

Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, as Sole Administrator of **S.C. FONDUL PROPRIETATEA S.A.**