

**Procedure regarding the organization and holding of  
General Meetings of Shareholders (“GMS”)  
of Fondul Proprietatea SA (“FP” or “Fondul Proprietatea”)**

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This procedure was approved by Decision of FP Board of Nominees no. 24/26 September 2013 and by Decision of the FP Investment Management Company no. 32/26 September 2013.

## 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;
- f) RNSC’s Executive Order no. 26 of December 20, 2012;
- g) Constitutive Act of FP (“**Constitutive Act**”)
- h) This procedure on the organisation and holding of GMS.

*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;
  - 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 GMS

*The persons who are entitled to convene and/or request the convening of the GMS 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 GMS filed by the shareholders must comply cumulatively with the following conditions:

- **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 SC Depozitarul Central SA), and **in the case of legal person shareholders**, they must be accompanied by copies of the identity documents of the legal representative (identification document or identification card for Romanian citizens or passport for foreign citizens), along with 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 proving the legal person's existence and the name/capacity of legal representative, all being no older than 3 months as from the date of the GMS convening

request, allowing for the identification thereof in FP's registry of shareholders kept by SC Depozitarul Central SA; 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, 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.

*Invitation document - GMS Convening Notice*

In accordance with legal provisions (CL, Regulation 15/2004 and Regulation 6/2009) and the provisions of the Constitutive Act, the GMS Convening Notice must include at least the following information:

- a) name of issuer;
- b) date of GMS, 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 GMS), as well as a note on the fact that only persons holding the title of shareholders at that date may participate and vote in GMS;
- 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;

- 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 GMS 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 GMS resolutions will be established by the meeting. The date will be subsequent to the GMS date by at least 10 working days.

*Special conditions of the GMS Convening Notice:*

The GMS Convening Notice must be approved by the BoN, signed by the FP legal representative, published at least 30 days prior to the GMS in the Official Gazette Part IV and in a national newspaper and on FP's website; the current report announcing the GMS 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 SC Depozitarul Central SA), and **in the case of legal person shareholders**, they must be accompanied by copies of the identity documents of the legal representative (identification document or identification card for Romanian citizens or passport for foreign citizens), along with 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 proving the legal person's existence and the name/capacity of legal representative, all being no older than 3 months as from the date of the GMS convening notice

publication, allowing for the identification thereof in FP's registry of shareholders kept by SC Depozitarul Central SA; 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 shall also be applicable to the legal representative of the shareholders addressing questions regarding the items on the GMS's agenda.

- 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 FP'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, 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 GMS 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 along with the number of shares held, issued by the Central Depository, or, as the case may be, by the participants defined under Article 168 (1) (b) of LCM providing custodian services.

### **Chapter III. Reference Date, Shares 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 GMS and vote therein. Only shareholders registered in the Company's shareholders' registry kept by SC Depozitarul Central SA on the reference date set by the Fund Manager at the time of the GMS convening are entitled to participate in the GMS and vote after proving their identity under penalty of vote annulment.

The Fund Manager will request SC 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 GMS; this date will also be valid if the GMS 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 GMS is convened for the first time,

- no less than 30 days prior to the applicable GMS 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 GMS, 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”.

#### **Chapter IV. Exercising the Voting Right**

FP shareholders may vote as follows:

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

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

- a) by inserting cards into card readers - direct vote by using card readers (or any other electronic means) 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;
- b) by using ballot papers.

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 SC 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, by submitting:
  - (i) a copy of the identity card or passport of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens) clearly indicating the social security number (*CNP*) - if such exists in the country of origin, and
  - (ii) 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 proving the existence of the legal person and the name/capacity of legal representative, all being no older than 3 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 SC Depozitarul Central SA or, in case of Romanian State, a copy of the appointment decree issued by the President of Romania, in order to prove its capacity as legal representative of the Ministry of Public Finances.
- 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.

*Vote by representative holding a special 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 GMS based on a special power of attorney.

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, as well as his/her signature on every page; and
- b) identification data of the representative (the person especially delegated); and

- c) date, place and time of the respective GMS; and
- d) date of special power of attorney; those bearing a subsequent date determine the annulment 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”;

*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 SC 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, with social security number (CNP) - if such exists in the country of origin; 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 proving the existence of the legal person and the name/capacity of legal representative, all being no older than 3 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 SC Depozitarul Central SA; 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;
  - (ii) copy of the identity card of the legal representative (agent) (identity document or identity card for Romanian citizens or passport for foreign citizens with visible Social security number (CNP) - if such exists in the country of origin);
- c) 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 GMS; 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.

*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 GMS. 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.

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](mailto:office@fondulproprietatea.ro), so that it is received by FP **48 hours** before the date of the first GMS convocation.

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 GMS** 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](mailto:office@fondulproprietatea.ro), **48 hours prior to the GMS**; 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) the power of attorney is not signed on each page; or
- f) powers of attorney given under private signature are not accompanied by copies of the documents indicated in this chapter; or
- g) the power of attorney does not contain the clearly written name and authorised signature of the FP shareholder;
- h) 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.

The **special power of attorney** for the participation and voting in the general meeting, granted by a shareholder to a credit institution providing **custodian services** shall be valid without it being necessary to present any other additional documents regarding that respective shareholder if the power of attorney is drafted in accordance with Regulation 6/2009, signed by that respective shareholder and accompanied by a sworn statement issued by the credit institution acting as a proxy via special power of attorney and stating that:

- the credit institution provides custodian services for that respective shareholder;
- the instructions of the special power of attorney are identical to those comprised by the SWIFT message received by the credit institution instructing it to vote on behalf of the shareholder;
- the special power of attorney is signed by the shareholder.

The special power of attorney and the statement of the custodian described above must be delivered to FP in original 48 hours before the GMS, signed, and as the case may be, stamped, without any other formalities being necessary in relation to the form of these documents.

#### *Voting by correspondence*

Voting by correspondence may be used by any shareholder, legal or natural person, within any kind of GMS. 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 GMS, 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 for (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 citizens), and the registration number with the appropriate registry in the state of origin (for foreign persons), first name, last name and social security number (or, depending on the case, 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 GMS;
- 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 and signing them on each page, as follows: (i) for natural persons - **natural person** shareholders shall personally sign each page of 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 stamped on each page 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 clearly written 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@fondulproprietatea.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, with legible social security number (CNP) - if such exists in the country of origin, allowing for identification thereof in the list of FP shareholders on the reference date issued by SC 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, with legible social security number (CNP) - if such exists in the country of origin) 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 -
  - (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 in order to prove the legal person's existence and the name/capacity of the legal representative, all being no older than 3 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 SC Depozitarul Central SA; 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 it was published or an excerpt of the law programme shall be provided;
  - (ii) copy of the identity document of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens, with legible social security number (CNP) - if such exists in the country of origin);
- c) 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.

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](mailto: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 signed on each page; or
- d) they are not accompanied by copies of the documents indicated in this chapter; or
- e) they do not comprise the clear name and authorised signature of the FP shareholder; or
- f) they do not comprise essential elements mentioned in the convening notice and/or the legal provisions.

Ballot papers timely received by FP and which are taken into consideration by FP, but which are however affected by any of the faults below shall be taken into consideration in order to determine the quorum, but shall not be taken into consideration when voting on the related decision:

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

**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.

*Special requirements for ballot papers:*

Ballot papers must be published on the FP website at least 30 days prior to the date of the GMS.

*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 GMS 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 SC 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 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 SC 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);
- 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 SC 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 power of attorney and the vote by correspondence

Special 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, decrease 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) 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.

## **Chapter VI. Documents Subsequent to GMS**

### *Minutes of the GMS*

- a) find the fulfilment of convening formalities, GMS date and place, present shareholders, 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.

### *GMS Resolutions*

- a) GMS draft Resolutions are published on [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro) along with the other documents (i.e. 30 days prior to GMS 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 chairman of the meeting or by a person empowered by him and by the Fund Manager legal representative or by a person empowered by the latter;
- e) shall be registered in the GMS registry of resolutions;
- f) shall be registered with the Trade Registry within 15 days after the date of their approval; if prior authorisations are required as per Regulation no. 4/2010, they will be obtained from the Financial Supervision Authority and the deadline shall be computed from the date when the authorisations were obtained;
- g) shall be published on the FP website after registration with the Trade Registry.

## **Chapter VII. GSM General Rules**

- a) On the day and at the time set in the convening notice, the GMS 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 GMS.
- b) GMS will select from the present shareholders 1 to 3 secretaries who will check and sign the shareholders' list of presence, indicating the share capital held by each, the minutes prepared by

the technical secretary in order to fulfil all requirements provided by the law and the Constitutive Act regarding the GMS meeting.

- 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 GMS decides otherwise, press representatives are not allowed in the meeting room.
- e) All discussions held within the GMS 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 GMS date.
- f) Each participant entitled to vote will receive a card to use when voting. Fund Manager may decide with regard to the use of other voting methods (based on ballot papers, bar code, stick, etc.).
- g) Each participant 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 GMS meeting, participants may only speak about subjects indicated on the agenda. In order for all interested persons to be able to speak within the GMS, each speaker shall limit his/her speech to maximum 3 minutes. If one of the speakers exceeds the indicated limit, the Chairman may proceed to interrupt the speaker. 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.
- h) 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.*
- i) The solemnity of the GMS meeting will be ensured by the meeting Chairman, who may have persons disturbing the meeting or offending the other participants leave the GMS meeting.
- j) Within 24 hours as from the closing of the GMS meeting, the Fund Manager will post on the website [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro) the provisional results of the passing of agenda issues. Within 15 days as from the closing of the GMS, 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 GMS, the Fund Manager will reconcile the voting results. The Fund Manager will post the final results on the website [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro) whether they are different from the provisional ones or not.