

MEMO

Re: *The change of the Investment Management Agreement signed between Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch and Fondul Proprietatea SA on 25 February 2010 as imposed by FSA's Decision no. 70/19 June 2014*

FSA issued the Decision no. 70/19 June 2014 proposing two changes for the Investment Management Agreement signed between Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch and Fondul Proprietatea SA, as follows.

Clause 9 as stipulated in Amendment 3 to the IMA

Point 9, first paragraph:

The Fund Manager's remuneration for its services under this Management Agreement is established according to the requirements in the Regulation for Organizing the International Tender, the Tender Book and the final offer formulated following the negotiations and the annexes of this agreement.

Point 9.2.- r) expenses relating to the valuation of unlisted portfolio holdings by independent valuers with the prior approval of BoN, according to the Ordinary General Meeting of Shareholders Resolution no. 22/27.06.2012;

Clause 9 as proposed by FSA through Endorsement no. 70/19 June 2014

Point 9, first paragraph:

The remuneration of the Fund Manager for the services supplied under this Management Agreement is established according to the requirements in the Regulation for Organizing the Tender, in the Tender book, as well as in the final offer formulated following negotiation, and in the annexes to this contract, as endorsed by NSC.

Point 9.2 - "r) expenses related to the additional evaluation of unlisted portfolio holdings carried out by independent valuers, upon the explicit request of the shareholders, based on the prior approval of the Board of Nominees, other than the expenses that shall be covered by the Fund Manager as manager of the UCIT portfolio, according to the lawful provisions."

Sincerely,

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

**Oana Valentina Truța
Legal Representative**