

**Resolution no. [...] / 23 September 2014 of the Shareholders' Ordinary General Meeting of**

**FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzesti St, 7<sup>th</sup> floor, sector 1, Bucharest, registered with the Trade Register under number J40/21901/2005, fiscal registration code 18253260

Today, 23 September 2014, 11:00 AM, the shareholders of Fondul Proprietatea S.A. ("**the Fund**") have met during the Shareholders' Ordinary General Meeting ("**OGM**") of the Fund, at its first summoning, at "Athenee Palace Hilton" Hotel, „Le Diplomat" Room, 1-3 Episcopiei Street, District 1, Bucharest, Romania, the OGM being opened by its Chairman, namely Mr. Grzegorz Maciej Konieczny, in his capacity of legal representative of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, having its headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> and 8<sup>th</sup> floors, 1<sup>st</sup> District, registered with the Trade Register under no. J40/8587/2009, sole identification code 25851096 ("**the Sole Administrator**") and with the Public Register of the Romanian National Securities Commission ("**CNVM**") under number PJM05SSAM/400001.

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 18 August 2014, in the Official Gazette of Romania, Part IV, number 4833/18 August 2014 and in "Romania Libera" newspaper no. 7176/18 August 2014,
- The provisions of the Fund's Constitutive Act in force ("**Constitutive Act**"),
- The applicable legislation,

Following debates, the Fund's shareholders decide as follows:

I. The approval of the OGM agenda.

This item is adopted with [...] votes representing [...]% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- [...] votes "for",
- [...] votes "against",
- [...] votes "abstain", and
- [...] votes were not casted.

II. The approval of the Addendum no. 1 to the Investment Management Agreement no. 45 signed between Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch and Fondul Proprietatea SA on 29 April 2014 ("Investment Management Agreement"), reflecting the changes imposed by Decision no. 111/4 August 2014 issued by the Financial

Supervisory Authority and enclosed as the Annex that is part of this decision. If the shareholders vote in favour of this point, the Chairman of the Board of Nominees is empowered to sign the Addendum no. 1 to the Investment Management Agreement with the Sole Administrator on behalf of Fondul Proprietatea SA.

This item is adopted with [...] votes representing [...]% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- [...] votes “for”,
- [...] votes “against”,
- [...] votes “abstain” and
- [...] votes were not casted.

III. The empowerment, with authority to be substituted, of 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.

This item is adopted with [...] votes representing [...]% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- [...] votes “for”,
- [...] votes “against”,
- [...] votes “abstain” and
- [...] votes were not casted.

IV. The approval of 15 October 2014 as the registration date, in accordance with the provisions of Article 238 para. (1) of Capital Market Law no. 297/2004.

This item is adopted with [...] votes representing [...]% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Law no. 31/1990. The votes were recorded as follows:

- [...] votes “for”,
- [...] votes “against”,
- [...] votes “abstain” and

- [...] votes were not casted.

This decision is drafted and signed on behalf of the shareholders by:

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Grzegorz Maciej KONIECZNY

Chairman of the meeting

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[...]

Meeting secretary

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[...]

Technical secretary

**Annex**

**This Addendum Agreement no. 1 (“Addendum no. 1”) to the Management Agreement no. 45 dated 29 April 2014 signed between FONDUL PROPRIETATEA S.A. and FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED, This Addendum no. 1 to the Management Agreement is made on [\_\_\_\_]**

**Between:**

**FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED** of the Adelphi, 1-11 John Adam Street, London WC2N 6HT, United Kingdom, acting through its Romanian branch having its registered office at Premium Point, 78-80 Buzesti Str., 7-8th floors, 1st. District, Bucharest, Romania (**“Fund Manager”**) (**“S.A.I.”** in Romanian language); and,

**FONDUL PROPRIETATEA S.A.** of 78-80 Buzesti Street 78-80, 1st District, Bucharest, Romania (the **“Customer”**),

the Fund Manager and the Customer together, the **“Parties”**.

The Investment Management Agreement no. 45 signed on 29 April 2014 between the Customer and the Fund Manager, will be modified as follows.

**Clause 2. Definitions: “Force Majeure Event” is modified and will have the following content:**

*“Force Majeure Event means, in relation to any party, any act, event or circumstance, the cause of which is not of such party's making nor within that party's reasonable control, including without limitation (to the extent not of that party's making nor within that party's reasonable control) act of God, war, hostilities (whether or not war has been declared), terrorist acts, acts of any civil or military authority, governmental or regulatory direction or restriction, suspension or withdrawal of licences or consents, currency restrictions, market conditions affecting the execution or settlement of transactions or the value of assets, failure or breakdown in communications, the failure of any relevant exchange or clearing house, riot, insurrection, civil commotion, public demonstration, sabotage, acts of vandalism, fire, flood, earthquake, extreme weather conditions, epidemic or pandemic, explosion, aircraft crashes or things falling from aircraft, release of ionising radiation or contamination by radioactivity, chemical or biological contamination, the order of any court or governmental or regulatory authority, delay in transportation or communications, breakage of or accidental damage to equipment, any strike, lock-out or other industrial trade dispute (not involving solely the employees of that party), structural shift or subsidence”;*

**Clause 2. Definitions: “New Appointment Date” is modified and will have the following content:**

*“New Appointment Date means, in relation to the appointment of a new fund manager and sole director, or, in the event the Customer becomes a self-managed fund, new directors of the Customer following termination of this Management Agreement, the later of: (i) the date when the new fund manager and sole director, or, as the case may be, new directors, are registered with the Trade Registry or any other competent authority as per the applicable legal provisions; and (ii) the date when the FSA issues its approval in relation to the appointment of the new sole director and fund manager as the case may be, new directors, and, (iii) the date when all other mandatory legal requirements for the replacement of the Fund Manager have been satisfied, and, in each of the cases under paragraphs (i), (ii) and (iii), being effective on the date that the Fund Manager received notice (or ought reasonably to have received notice) of the event”;*

**Clause 9.6 is modified and will have the following content:**

*“9.6. The Performance Report, together with the BoN Review Report will be reviewed by the shareholders in the October GSM. The agenda of each October GSM will allow the shareholders the opportunity to vote on (i) the continuation or termination of this Management Agreement and the Fund Manager's mandate, any proposed termination ensuring the simultaneous termination of the Fund Manager's mandate and the Management Agreement and (ii) the start of the procedures set*

out by the legislation in force for the selection of a new fund manager and sole director or the transformation of the company into a self-managed closed-end fund”.

**Clause 13.3 is modified and will have the following content:**

“13.3 The Fund Manager may terminate this Management Agreement and resign its mandate as Sole Director with six months’ prior written notice. Not later than five business days following the Termination Notice Date, but subject to timely approval of the GSM agenda by the BoN, the Fund Manager will call the OGM having on the agenda the notification of the shareholders regarding the unilaterally termination of the agreement and the initiation of the procedures set out by the legislation in force for the selection of a new fund manager and sole director or the transformation of the company into a self-managed closed-end fund”.

**Clause 13.4 letter b) is modified and will have the following content:**

“(b) if material obligations under this Management Agreement can no longer be fulfilled due to changes in the applicable law compared to the date of signing this Agreement, provided that the Fund Manager has used reasonable endeavours to comply with, but despite those efforts compliance would not be possible; or”

**Clause 14.3 is modified and will have the following content:**

“14.3 To the extent that changes in the applicable law or regulation following the signing of this Management Agreement (including, without limitation, the future provisions implementing the Directive 2011/61/EU on Alternative Investment Fund Managers under Romanian legislation) impose requirements on the Fund Manager in the performance of this Management Agreement with which the Fund Manager cannot comply, the Fund Manager undertakes to use reasonable endeavours to continue performance of the services to the extent legally possible and, to the extent not legally possible, the implementation of any amendments to this Management Agreement is subject to consent by the Customer, at its full discretion and nothing in this Management Agreement shall be construed as an expressed prior consent in this respect”.

**Clause 18.4 is modified and will have the following content:**

“18.4 If any Force Majeure Event shall substantially impair the ability of the Fund Manager to carry out its duties under this Management Agreement, the Customer shall urgently convene the GSM for the initiation of the legal procedures for the selection of a new fund manager and sole director or the adoption of a resolution regarding the transformation of the company into a self-managed closed-end fund”.

**Clause 19.1 is modified and will have the following content:**

“19.1. This Management Agreement is governed by and shall be construed in accordance with the Romanian laws”.

**Clause 19.2 is modified and will have the following content:**

“19.2. Dispute Resolution

a) Any dispute or difference arising out of or in connection with the Management Agreement, including without limitation any disputes regarding its valid conclusion, existence, interpretation, nullity, breach, amendment, termination in any way of this Management Agreement (each a “Dispute”), that cannot be resolved by amicable negotiations within a reasonable period of time from the notice served by any of the Parties relating to the potential Dispute shall be finally resolved by the Paris Court of Arbitration under its Rules of arbitration. The Party requesting the initiation of the arbitration proceedings shall serve the other Party with a written notice that such proceedings will be initiated.

b) The place of the arbitration shall be Paris, the language of the arbitration shall be English, and the tribunal shall consist of three (3) arbitrators appointed in accordance with the Rules of arbitration of ICC Paris”.

**Clause 21.2 is modified and will have the following content:**

“21.2. For the duration of this Management Agreement the Fund Manager undertakes that (i) it will not, without the prior express written approval of the BoN, change, replace or dismiss, save as a result of misconduct by the employee, Mr. Grzegorz Maciej Konieczny from acting in his capacity as the Fund Manager’s and the Sole Director’s representative with respect to the Customer, nor do any

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*similar acts or things or do anything which may have a similar effect, and (ii) it will use all reasonable efforts to procure that Mr. Grzegorz Maciej Konieczny must, for the duration of his employment by the Fund Manager in the course of this Management Agreement, devote the necessary time for the management of the Portfolio”.*

**Clause 22 is modified and will have the following content:**

*“This Management Agreement will be signed in Romanian and English language and executed in 3 originals, one for the Fund Manager and two for the Customer”.*

**The provisions regarding Distribution fees/Distributions of the Annex are deleted and the Annex will have the following content:**

**“Annex**

*The fees due to the Fund Manager in accordance with clause 10 of this Management Agreement shall be calculated and paid in RON by the Customer in compliance with the following provisions. The fee shall be calculated based on a Base Fee.*

1. *The Base Fee is applied to the notional amount according to the following formula: the Base Fee Rate multiplied by the notional amount, multiplied by the number of calendar days of payment, divided by 365,*

*where*

*the Base Fee Rate = 60 basis points per year;*

*1 basis point = 0.0001; and*

*the notional amount is the market capitalization of the Customer which is defined as the number of the Customer’s paid shares, minus the weighted average number of the Customer’s settled own shares held in treasury over the calculation period, then multiplied by the weighted average market price of the Customer’s shares calculated for the corresponding quarter. The weighted average market price is computed based on the daily average market prices of the Customer’s shares and corresponding daily volumes, as published by Bucharest Stock Exchange REGS section. If the number of shares relevant for the computation of the Base Fee (described above) changes over the calculation period, the Base Fee will be an aggregation of the computation for each sub-period.*

2. *The Base Fee shall be paid to the Customer quarterly, based on the invoices to be issued by the Fund Manager within twenty (20) business days following the end of the quarter for which payment is made.*

*The invoices for the Base Fee shall be submitted to the Depositary of the Customer’s assets. The Fund Manager shall provide to the BoN quarterly and on an annual basis and upon reasonable request of the BoN a detailed report regarding the fees collected under this Management Agreement, in the form reasonably required by the BoN.*

3. *The payment of fees (Base Fee) shall be arranged by the Fund Manager only after the verification and certification by the Depositary of the correctness of the calculation: notional amount, all the other items used in calculation of the fees, as well as the modalities for determining the fees. The payment shall be done within 30 business days since receipt of the invoice.”*

**The other clauses of the Investment Management Agreement no. 45 signed on 29 April 2014 between the Customer and the Fund Manager remain unchanged.**

**SIGNATORIES**

This Addendum will be signed in Romanian and English languages and executed in a number of three (3) counterparts, all of which taken together constitute the agreement, one (1) for the Fund Manager and two (2) for the Customer.

**AS WITNESS** the hands of the duly authorized representatives of the parties on the date which appears first on page 1.

Signed by and for  
FONDUL PROPRIETATEA S.A.

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Signed by and for  
FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED UNITED KINGDOM

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