



NOTE

ON THE APPOINTMENT OF THE FINANCIAL AUDITOR, DURATION OF THE FINANCIAL AUDIT CONTRACT FOR A MAXIMUM PERIOD OF 12 MONTHS AND THE RENUMERATION OF THE FINANCIAL AUDITOR FOR THE FINANCIAL YEAR

Beginning with 2007 the financial auditor of SC Fondul Proprietatea SA is Deloitte Audit Ltd.

The financial auditors, whether they are natural persons or legal entities, pursue their activity on the grounds of Art. 3 of the Government Emergency Ordinance no. 75/1999 on the financial audit activity, as republished, as subsequently amended and completed, according to which financial auditors carry out the following activities:

- a) statutory audit of annual financial statements and consolidated annual financial statements in the situations stipulated by law;
- b) financial audit of the annual financial statements and of the consolidated financial statements of entities that opted for the auditing of the annual financial statements;
- c) reviewing missions of the annual financial statements, of the consolidated financial statements, as well as of the provisional financial statements;
- d) assurance missions and other professional missions and services, according to the international standards in force and to other regulations adopted by the Chamber;
- e) internal audit;
- f) financial and accounting consultancy services;
- g) financial and accounting management;
- h) specialized professional training in the field;
- i) accounting expertise, evaluation, liquidation and judicial reorganization procedure, fiscal consultancy, in compliance with the regulations specific to the respective activities and with the matching principle, if case be.

SC Fondul Proprietatea SA, as a listed company, has a number of obligations stipulated by Law no. 397/2004 on the capital market, as subsequently amended and completed by NSC Rule no. 1/2006 on issuing authorities and security operations, such as:

- A company admitted for dealing on a regulated market shall make available to the public within 4 months at the most from the end of the financial year, the annual financial statements, together with the annual report, as approved by the general meeting of shareholders. The annual report shall also include the report of the chosen financial auditor, according to the provisions of art. 258, as well as all the comments made by the same.

- The half-yearly report shall be made available to the public within 2 months at the most from the end of the report period. If the half-yearly financial statements were audited, the half-yearly report shall include the report of the financial auditor.

As a listed company, Fondul Proprietatea is also required to prepare annual financial statements in accordance with International Financial Reporting Standards that shall be audited.



Thus, the financial auditor will carry out an audit of the financial statements of the Company for the year ended on 31 December 2011, drawn up according to the Romanian Accountancy Regulations ("RAR"), an audit of the individual financial statements of the Company for the year ended on 31 December 2011 drawn up according to the International Financial Reporting Standards ("IFRS"), as well as an audit of the consolidated financial statements of the Company for the year ended on 31 December 2011 drawn up according to the International Financial Reporting Standards ("IFRS").

We would like to specify that according to art. 14, paragraph 23 of the Articles of Association of SC "Fondul Proprietatea" SA in force on the issuing date hereof, "Secret voting is compulsory for the election of (...) financial auditors."

Taking into account the above mentioned, we submit to the approval of the Ordinary General Meeting of the Shareholders of SC Fondul Proprietatea SA the appointment of Deloitte Audit SRL headquartered in Bucharest, 4-8 Nicolae Titulescu Str., 3rd floor, 1st District, registered with the Trade Register under no. J40/6775/1995, unique registration code RO7756924 as financial auditor of the Company for a period of 12 (twelve) months, based on a fee of EUR 75,000, net of VAT.

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

Grzegorz Maciej KONIECZNY

Legal Representative