

Memo regarding the appointment of two members in the Board of Nominees

In accordance with the provisions of Fondul Proprietatea's Constitutive Act ("the **Constitutive Act**"), the Board of Nominees is composed of five members.

Due to the fact that two mandates of the members of the Board of Nominees will expire on 29 September 2019, we propose that the agenda of the Shareholders' Meeting of 4 September 2019 to include the appointment of two members, as per Articles 12 and 15 of the Constitutive Act, in order to allow the registration of these new mandates with the Trade Registry in due time. Please find below the procedure to be observed in this case for the election of the members of the Board of Nominees as follows.

Pursuant to the provisions of Article 16 (5) of the Constitutive Act: "*In case of vacancy arising for the position of one or more members of the Board of Nominees, the general meeting of shareholders shall be immediately summoned for the appointment of new members*". Furthermore, Article 15 (2) of the Articles of Association states that "*any shareholder will be entitled to submit his/her proposals for the members of the Board of Nominees.*"

The conditions that must be met simultaneously by the candidates for the position of member of the Board of Nominees are:

1. May be Fondul Proprietatea's shareholders, or
2. Any other persons appointed by the shareholders, and
3. Must have the adequate expertise and knowledge to receive the Fund Manager's and the advisers' reports and to make judgments based on the information received regarding Fondul Proprietatea's management, within the objectives and principles set out in the investment policy and also by the applicable laws and regulations, and
4. Must have the suitable qualification to decide (if necessary, with the help of an independent consultant) whether the transactions proposed by the Fund Manager, which require the approval of the Board of Nominees, are made for the benefit of the shareholders.

The Nomination and Remuneration Committee will analyse the list of candidates and will issue a voting recommendation after the list will be final, the final decision belonging to the General Shareholders' Meeting.

The list of candidates will be published and updated on the Fund's official webpage on daily basis, mentioning also if they meet the independence criteria or not.

Franklin Templeton International Services S.À R.L., acting as Sole Director on behalf of FONDUL PROPRIETATEA S.A.

Johan Meyer
Permanent representative