

# Fondul Proprietatea – General Shareholders Meeting

23 September 2014



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INVESTMENTS

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Date: September 2014.

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# Fund Information

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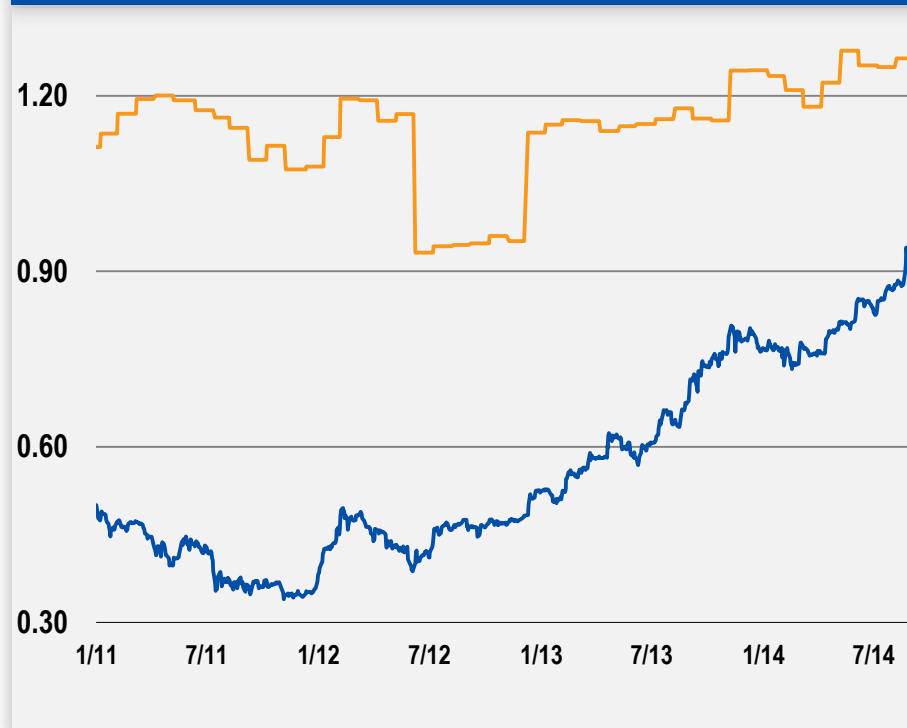
# The Fund – Key Facts

Fund Details as at 29 August 2014 <sup>1</sup>	RON	EUR
NAV	14.94 bn	3.39 bn <sup>2</sup>
NAV/Share	1.2639	0.2864 <sup>2</sup>
Price/Share <sup>3</sup>	0.8770	0.1987
Discount <sup>3</sup>	30.61%	30.61%
Number of Shares in Issue	13,538,087,407	
Number of Paid Shares	13,174,101,815	
Number of Paid Shares less Treasury Shares <sup>4</sup>	11,820,293,075	

## Investment Objective

Maximization of returns and per-share capital appreciation via investments mainly in Romanian equities and equity-linked securities.

## FP Share Price<sup>5</sup> and NAV



■ NAV ■ FP Share Price

1. Based on local regulator methodology.

2. Computed using the NBR EUR/RON FX rate as at 29 August 2014.

3. As at 29 August 2014. Computed using the NBR EUR/RON FX rate as at 29 August 2014.

4. As at 23 July 2014.

5. Source: BVB, Bloomberg, until 22 September 2014.

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# NAV and Share Price Performance

## Cumulative Performance

	2011	2012	2013	Since Performance Inception <sup>1</sup>	YTD <sup>1</sup>
NAV	(0.47)	8.91	13.29	29.80	5.69
Ordinary Share Price	(30.32)	38.30	61.34	74.30	12.11

## Average Annual Discount

2011	2012	2013	YTD <sup>2</sup>	Current Discount <sup>3</sup>
55.67%	50.20%	41.30%	33.04%	26.18%

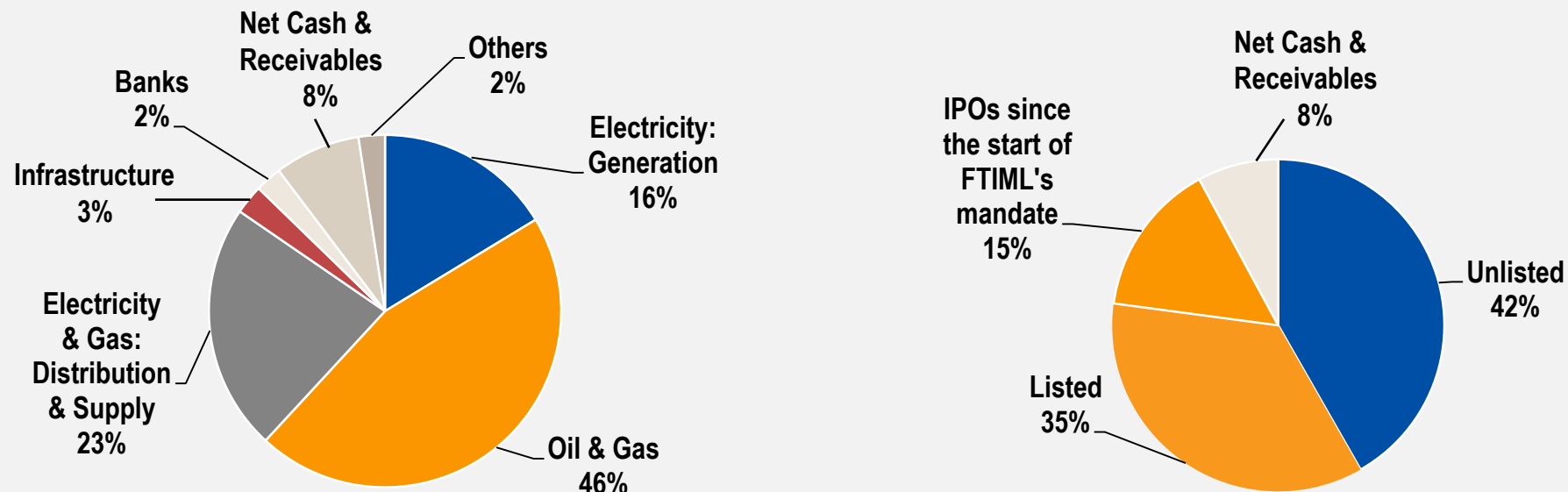
1. As at 31 July 2014.

2. For the period: 1 January – 22 September 2014.

3. As at 22 September 2014.

# Portfolio Performance

## Portfolio Structure – 29 August 2014



- As at 29 August 2014, the portfolio included stakes in 56 companies (18 listed and 38 unlisted)

# Largest Holdings by NAV

No.	Portfolio Company	Status	Majority Shareholder	% Stake <sup>1</sup>	NAV as at 29 August 2014 (EUR mn)	% in NAV as at 29 August 2014
1	OMV Petrom SA	Listed	OMV	19.0%	1,194.7	35.3
2	Hidroelectrica SA	Insolvency	Romanian State	19.9%	477.1	14.1
3	Romgaz SA	Listed	Romanian State	10.0%	317.1	9.4
4	ENEL Distributie Banat	Unlisted	Enel Group	24.1%	129.9	3.8
5	ENEL Distributie Muntenia	Unlisted	Enel Group	12.0%	107.2	3.2
6	GDF Suez Energy Romania	Unlisted	GDF Suez	12.0%	91.6	2.7
7	ENEL Distributie Dobrogea	Unlisted	Enel Group	24.1%	85.9	2.5
8	E.ON Moldova Distributie SA	Unlisted	E.ON Group	22.0%	78.3	2.3
9	Electrica Distributie Muntenia Nord SA	Unlisted	Electrica Group	22.0%	67.1	2.0
10	CN Aeroporturi Bucuresti SA	Unlisted	Romanian State	20.0%	65.2	1.9
<b>Top 10 Portfolio Holdings</b>					<b>2,614.1</b>	<b>77.2</b>
<b>NAV</b>					<b>3,385.9</b>	<b>100.0</b>
<b>NAV Per Share (EUR)</b>					<b>0.2864</b>	

Note: Values in EUR calculated using the EUR/RON FX rate as at 29 August 2014.

Source: Report prepared by the Fund Manager as at 29 August 2014.

1. Based on the 30 June 2014 Detailed Statement of Investments.

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## Main Transactions in 2014

Company	Transaction	Seller	Offering Stake	Market Value (EUR mn)	Investment Consortium Selected	Comments
Romgaz	ABO	FP	4.99%	146.4	Goldman Sachs, Erste-BCR	Completed in June 2014
Electrica	IPO	New Shares	51%	444.3 <sup>1</sup>	Citigroup, Raiffeisen C&I, BRD, Societe Generale, Swiss Capital	Completed in June 2014
Transelectrica	ABO	FP	13%	48.4	Raiffeisen Bank, UniCredit, SSIF Broker	Completed in July 2014

1. Source: Based on the final price of RON 11 per share and USD 13.66 per GDR listed on the London Stock Exchange .

# Government SPO & IPO Calendar

## Future IPOs and Privatizations

Company	Official Timeline <sup>1</sup>	FP Expectations	Offering Size %	Offering Size Value (EUR mn)	FP Stake Value (EUR mn)	Seller	Investment Consortium Selected
Hidroelectrica	IPO – June 2014	Delayed by the insolvency proceedings	15.0	412.7 <sup>2</sup>	477.1 <sup>2</sup>	New Shares	Morgan Stanley, Raiffeisen
CE Oltenia	IPO – Nov 2015	2015	12.0/15.3	17.1/22.4 <sup>4</sup>	27.3 <sup>4</sup>	New Shares	BRD Groupe Societe Generale, Swiss Capital <sup>3</sup>
Posta Romana	Privatization (Share Capital Increase)	H1 2015	>50.0	>41.6 <sup>4</sup>	13.9 <sup>4</sup>	New Shares	KPMG, Tuca, Zbarcea and Associates

## Other candidates from the Fund's portfolio for IPOs

Company	FP Stake <sup>4</sup>	FP Stake Value (EUR mn)	Market Cap
Administratia Porturilor Maritime (Constanta Port)	20.0%	15.9 <sup>4</sup>	79.3 <sup>4</sup>
Aeroporturi Bucuresti (Bucharest Airports)	20.0%	65.2 <sup>2</sup>	325.9 <sup>2</sup>
Salrom	49.0%	24.2 <sup>4</sup>	49.5 <sup>4</sup>

1. As agreed with the IMF in the September 2013 Letter of Intent.

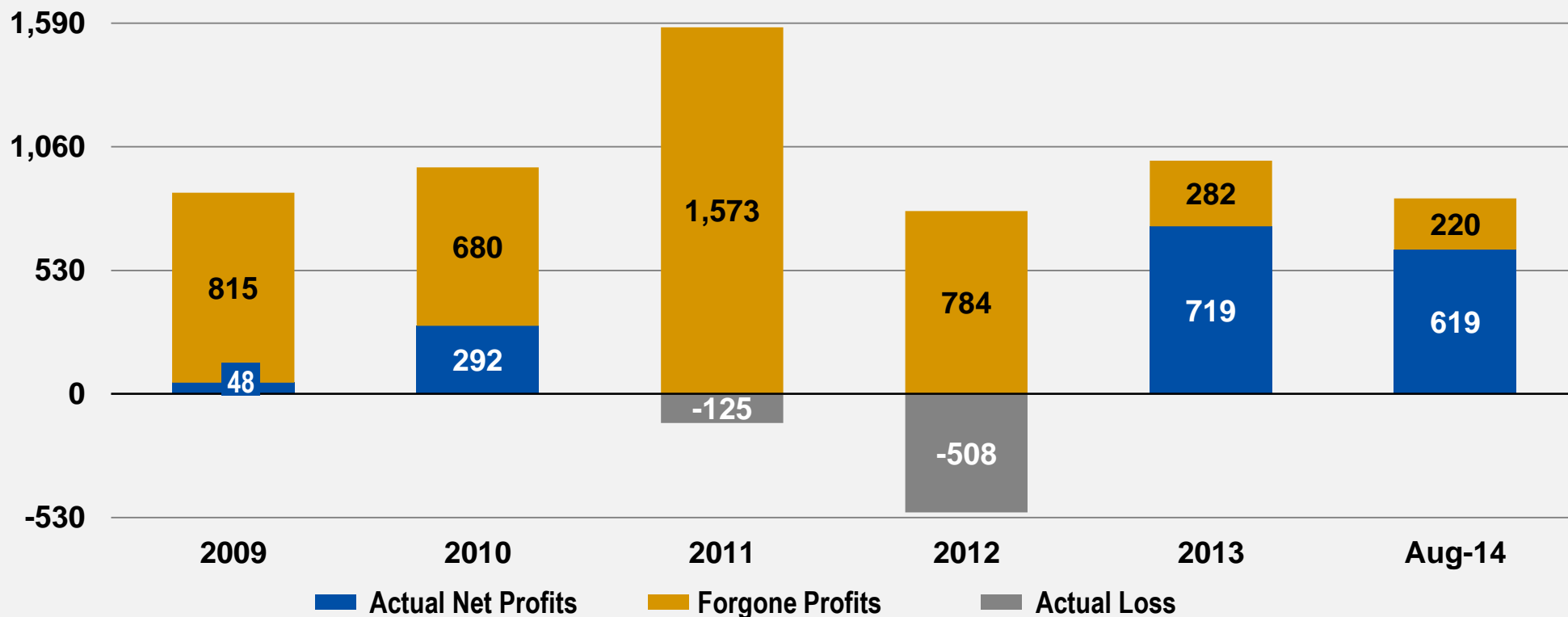
2. Source: The NAV report prepared by the Fund Manager as at 29 August 2014.

3. Offer submitted in April 2013.

4. Source: 30 June 2014 Detailed Statement of Investments.

# Example of a Turnaround – Hidroelectrica

Net Income vs. Foregone Profits (RON mn)



Source: Company 's Financial Statements.

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## Improved Performance – Constanta Port (APM)

RON mn	2011	2012	2013	% YoY	30.06.2013	30.06.2014	% YoY
Operating revenues	244.3	269.6	285.9	+6.1%	132.4	137.2	+3.6%
Operating profit	51.0	46.3	76.6	+65.6%	33.7	50.9	+51.1%
Net Income	42.3	35.6	65.0	+82.8%	29.7	41.8	+40.7%

- **Corporate governance:** There is a visible improvement of results in 2013 and the first half of 2014, following the appointment of a new Board of Directors in November 2012; most of the improvement in profitability was from cost reduction measures but there are opportunities to also improve revenues growth going forward
- **Listing:** Government now talking about listing 14%+ stake (vs. 5% before); progress depends on resolution to request from Local Council of Constanta to receive an additional stake of 13% (currently holds 20%); if both these actions materialize, there will be significant changes in the shareholders structure, as in the table below:

Shareholder Structure	Current	Proposed
Ministry of Transports	60%	33%
Fondul Proprietatea	20%	20%
Constanta Local Council	20%	33%
Free float on BVB	0%	14%

Source: Company's reports and financial statements.

# IPO Candidate – Salrom

Financial Information					
RON mn	2010	2011	2012	2013	H1 2014
Operating Revenues	276.2	282.7	303.5	327.0	134.0
Operating Profit	12.2	5.2	25.3	48.8	17.6
Net Profit	5.9	1.3	20.7	42.8	13.4
FP Net dividend	0.7	0.1	9.3	19.8	-
EV/EBITDA	4.6	7.5	4.0	2.5	6.4
P/E	36.8	167.2	10.5	5.0	15.4

Quick Facts	
Sector	Salt mining
Type	Unlisted
Weight in NAV <sup>1</sup>	0.7%
FP Stake <sup>1</sup>	RON 106.3 mn (EUR 24.2 mn)
Shareholder Structure	
Ministry of Economy	51%
Fondul Proprietatea	49%

Source: Company's financial statements and annual reports.

1. Based on the 30 June 2014 NAV report prepared by the Fund Manager.

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## Need of Restructuring – CE Oltenia

Financial Information			
RON mn	2011	2012 <sup>2</sup>	2013
Operating Revenues	4,026.4	3,347.1	4,278.3
Operating Profit	347.9	44.5	(28.0)
Net Profit	179.8	118.3	4.6
Dividends	N/A <sup>1</sup>	57.1	0
Employees	NA <sup>1</sup>	18,761	18,815

	30 November 2012 Value (RON mn)	30 November 2013 Value (RON mn)	31 March 2014 Value (RON mn)	30 June 2014 Value (RON mn)
CE Oltenia SA	1,075.07	880.00	321.64	120.00

Sources: Company's reports and financial statements.

1. Created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO. Dividends distributed to FP by merged companies: 2012 (CE Rovinari RON 6.5mn, CE Craiova RON 0.03mn), 2011 (CE Rovinari RON 0.02mn, CE Craiova RON 0.01mn).

2. Based on statutory financial statements for the period 1 June – 31 December 2012.

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# Corporate Actions

## Cash Distributions to Shareholders

	Financial year	Paid in	Gross Distribution/Share (RON)	Net Distribution/Share (RON) <sup>1</sup>
Dividend	2008 – 2009 (aggregate)	2010	0.08160	0.06854
Dividend	2010	2011	0.03141	0.02638
Dividend	2011	2012	0.03854	0.03237
Dividend	2012	2013	0.04089	0.03435
Return of Capital	-	2014	0.05000	0.05000
<b>Total</b>			<b>0.24244</b>	<b>0.21164</b>

- **0.9330 RON<sup>2</sup> + 0.21164 RON = 1.14464 RON**

Note: The RON 0.08160/share distribution was for 2008 and 2009. The RON 0.05/share return of capital was recommended by the Fund Manager and approved by shareholders during the Extraordinary General Shareholders Meeting on 3 February 2014.

1. Values resulted after applying the 16% Romanian Dividend Withholding Tax to the Gross Distribution per Share value. In case the shareholder provided a fiscal residence certificate from a jurisdiction where the tax on dividends was lower than 16%, the lower withholding rate was applied. Tax exemption is applied for certain categories of shareholders according to the fiscal legislation in force. For the RON 0.05/share return of capital no tax was withheld.

2. Source: BVB, as at 22 September 2014.

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## Buy-Back Programs

Program	Period	Status	No. of shares to be repurchased/ % of the Fund's issued share capital	Average share price (RON/share)	Broker	Cancellation of shares
Fourth	-	Approved by shareholders on 28 April 2014	991.0 mn/7.32%	NA	To be selected	-

### Update on the Fourth Buy-Back Program

- The fourth buy-back program will be started as soon as the cancellation of the shares repurchased in the second buy-back program will become effective
- The FSA may issue a decision on the endorsement of the Constitutive Act reflecting the share capital decrease only after the legal term of two months elapses since the publication of the Shareholders' Resolution in the Official Gazette, which was performed on 15 July 2014
- The response from the FSA on the endorsement is reasonably expected soon after 15 September 2014

# Updated Annual Cash Distribution Policy

## Status

- The official interpretation from the FSA on the NAV computation methodology prohibits the distribution of dividends for this and next year
- The Fund Manager is committed to paying an annual cash distribution to shareholders
- The dividends received from portfolio companies plus interest on cash less expenses and allocations to reserves will be passed on to shareholders in the form of return of capital (by decreasing the nominal value) on an annual basis
- The Fund Manager can recommend additional distributions via return of capital or buy-backs

# Dividend Income

	FP NET DIVIDEND (RON mn)			
	2014	2013	2012	2011
Total Dividends from Top 20 Holdings (RON mn)	619.8	580.9	526.0	423.6
Total Dividends from Listed Companies (RON mn)	538.6	373.9	450.1	304.0
Total Dividends from Unlisted Companies (RON mn)	131.2	275.8 <sup>1</sup>	168.9	215.1
Total Dividend Income (RON mn)	669.8	649.7	619.0	519.1

1. Includes dividends from Romgaz and Nuclearelectrica, which were unlisted at that time.

## Secondary Listing on the LSE – Plan

### Status

The documentation for the secondary listing of the Fund on the LSE has been finalized and is ready to be filed. The target date for the LSE listing is mid-October 2014 and the only step still required for the completion of process is FSA's endorsement of the changes in the current regulations to allow for the use of Depositary Interests ("DIs"). Once FSA approves the required changes, the Fund's listing can be completed within two weeks afterwards.

### Key Stats on Top 15 Largest Funds Listed on the LSE

Fund	Market Capitalization (GBP bn)	Price/Share (GBP)	NAV/Share (GBP)	Discount
Scottish Mortgage	2.90	211.75	212.4	-0.29%
Alliance Trust	2.54	443.5	511.1	-13.23%
<b>Fondul Proprietatea</b>	<b>2.25</b>	<b>0.1686<sup>1</sup></b>	<b>0.2289</b>	<b>-26.18<sup>1</sup></b>
F&C Investment Trust	2.22	378.45	424.4	-10.82%
RIT Capital Partners	2.17	1308.5	1376.4	-4.93%
Templeton Emerging Markets UK	1.90	573	634.6	-9.71%
HICL Infrastructure Company	1.78	140.7	123.2	14.24%
Mercantile	1.43	1460.5	1669.0	-12.50%
Murray International B	1.41	1465	1001.3	46.31%
Murray International	1.41	1052	1001.3	5.07%
Witan	1.34	701	717.0	-2.23%
NB Global Floating Rate GBP	1.21	97.65	99.4	-1.76%
3i Infrastructure	1.21	133.75	121.0	10.52%
Caledonia Investments	1.20	2203.5	2557.0	-13.83%
Edinburgh Investment	1.19	611	620.5	-1.54%

1. Source: Bucharest Stock Exchange as at 22 September 2014. Computed using the NBR EUR/RON FX rate as at 22 September 2014.

# Shareholder Returns and Performance

# Shareholder Returns

NAV per Share as at 28 April 2014	Distribution (RON/Share)	NAV per Share as at 29 August 2014	Return
1.2224	0.0500	1.2639	7.24%

Share Price as at 28 April 2014	Distribution (RON/Share)	Share Price as at 22 September 2014	Return
0.7640	0.0500	0.9330	23.47%

1. Source: Bucharest Stock Exchange, reports prepared by the Fund Manager.

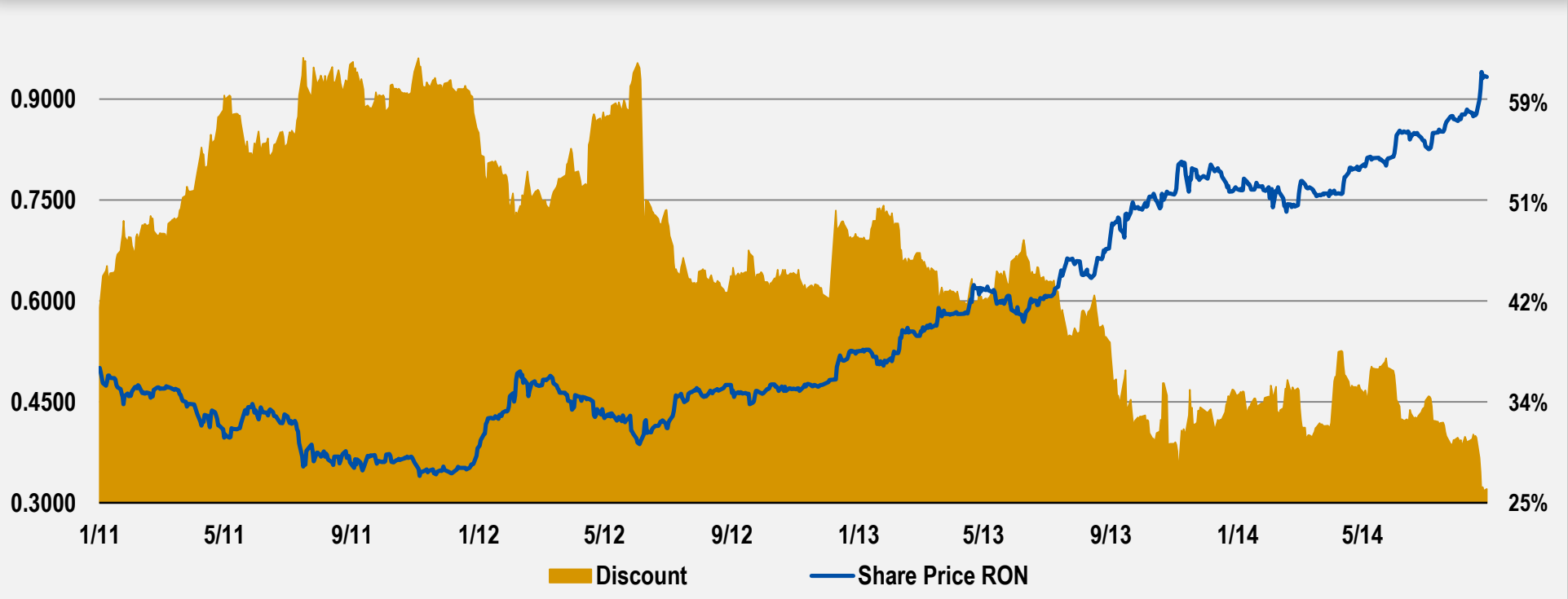
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# FP Performance

## FP Share Price<sup>1</sup> (RON) and Discount (%)



1. Source: Bucharest Stock Exchange, Bloomberg, for the period 25 January 2011 – 22 September 2014.

# GSM Agenda



# Update on the New Investment Management Agreement

## Current Investment Management Agreement

### Fees

- Base Fee: 0.479%
- Consideration: Average quarterly market capitalization of the Fund

### Duration

- Until 29 September 2014

## New Investment Management Agreement

### Fees

- Base Fee: 0.60%
- Consideration: Average quarterly market capitalization of the Fund
- Distribution Fee:
  - 2.00% of total non-dividend distributions (30 September 2014 – 31 October 2015)
  - 1.00% of total non-dividend distributions (1 November 2015 – end of the mandate)
- Consideration: Share buy-backs, public tender buy-backs, reductions of the share capital

### Duration

- 2 years, starting with 30 September 2014
- The Fund Manager will call a GSM each year in October to review the performance of the Fund Manager and shareholders will have the right to vote on the continuation of the mandate of the Fund Manager

### Status:

- Shareholders approved the new IMA at the Annual General Shareholders Meeting on 28 April 2014
- **On 4 August 2014, the new IMA has been partially endorsed by the FSA, and certain amendments have been requested**

# EGM Agenda

**EGM 1:** The approval of the EGM agenda

**EGM 2:** The approval of the amendment of the Constitutive Act as follows:

**2.1.** The approval of the amendment of Article 9 paragraph 2 of the Constitutive Act of Fondul Proprietatea S.A. as imposed by the Financial Supervision Authority (“FSA”) through Decision no. 75/25.06.2014, as follows. “(2) The nominal value of one share shall be of RON 0.95.”

**2.2.** The approval of the amendment of Article 12, paragraph 2 letter d)1, as imposed by the FSA through Decision no. 3/17.04.2014. The Fund Manager notes that the proposal is not needed, the form in force of this article being identical to the proposal of amendment. Please find below the text imposed to be submitted for approval by FSA.

“d) to appoint the Fund Manager, on the basis of the outcome of the selection made subsequent to a tender for appointing the Fund Manager, and to cancel its appointment”

**2.3.** The approval of the amendment of Article 12, paragraph 2 letter d)2, as follows: “d) to appoint the Fund Manager in accordance with the law and to cancel its appointment”. If the shareholders of Fondul Proprietatea SA vote in favour for the amendment of the Constitutive Act, the amendment of the Constitutive Act is effective after it is endorsed by FSA, where required by applicable law or regulation

**2.4.** The approval of the amendment of Article 12, paragraph 2 letter f) of the Constitutive Act of Fondul Proprietatea SA as follows: “f) to set the level of the remuneration of the members of the Board of Nominees, the Fund Manager and of the financial auditor for financial audit services for the ongoing fiscal year”. If the shareholders of Fondul Proprietatea SA vote in favour for the amendment of the Constitutive Act, the amendment of the Constitutive Act is effective after it is endorsed by FSA, where required by applicable law or regulation.

**2.5.** The approval of the amendment of Article 13, paragraph 9 of the Constitutive Act of Fondul Proprietatea SA as follows: “(9) The notice for the first general meeting of the shareholders may provide also the day and hour of the second meeting, having the same agenda as the first, in order to cover the situation in which the first meeting cannot take place if the quorum is not being met”. If the shareholders of Fondul Proprietatea SA vote in favour for the amendment of the Constitutive Act, the amendment of the Constitutive Act is effective after it is endorsed by FSA, where required by applicable law or regulation.

# EGM Agenda

**2.6.** The approval of the amendment of Article 34 paragraph 5<sup>3</sup> of the Constitutive Act of Fondul Proprietatea S.A. as imposed by the FSA through Decision no. 75/25.06.2014, as follows. “(5) Fondul Proprietatea will not engage in any “raising of capital” activities, within the sense of Article 4 (1) (a) (i) of EU Directive 2011/61 as detailed by European Securities and Markets Authority’s related guidelines and interpretations, save for the situation provided by Article 10 para. (2) of Law no. 247/2005, with further amendments and supplements”

**2.7.** The approval of the amendment of Article 34 paragraph 5<sup>4</sup> of the Constitutive Act of Fondul Proprietatea S.A. as follows. “(5) Fondul Proprietatea will not engage in any “raising of capital” activities, within the sense of Article 4 (1) (a) (i) of EU Directive 2011/61 as detailed by European Securities and Markets Authority’s related guidelines and interpretations, save for the situation where such would be imposed under Article 10 para. (2) of Law no. 247/2005, with further amendments and supplements.” If the shareholders of Fondul Proprietatea SA vote in favour for the amendment of the Constitutive Act, the amendment of the Constitutive Act is effective after it is endorsed by FSA, where required by applicable law or regulation.

**EGM 3:** The approval of the decrease of the subscribed share capital of Fondul Proprietatea SA as follows. The decrease of the subscribed registered share capital of Fondul Proprietatea SA from RON 11,815,279,886.85 to RON 11,575,064,733.65, pursuant to the cancellation of 252,858,056 own shares acquired by the Company. After the share capital decrease the subscribed share capital of the Company will be RON 11,575,064,733.65 being divided into 12,184,278,667 shares, with a nominal value of RON 0.95 / share. The subscribed share capital decrease will take place on the basis of Article 207 paragraph 1 letter c) of Law no. 31/1990. The first paragraph of the Article 7 of the Constitutive Act after the share capital decrease will be changed as follows. “(1) The subscribed share capital of Fondul Proprietatea is in amount of RON 11,575,064,733.65, divided in 12,184,278,667 ordinary, nominative shares, having a nominal value of RON 0.95 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by Depozitarul Central SA. ”The subscribed share capital decrease will be effective after the following three conditions are met: (i) the share capital decrease approved by shareholders on 28 April 2014 is effective, (ii) this resolution is published in the Official Gazette, Part IV for at least two months, and (iii) FSA endorses the changing of first paragraph of Article 7 of the Constitutive Act, as modified based on this decision, where required by applicable law or regulation.

**EGM 4:** The ratification and the approval of all resolutions taken by the EGM and of all legal acts (including decisions and contracts) concluded, adopted and issued in the name of Fondul Proprietatea SA through FTIML UK, Bucharest Branch, between 6 September 2010 and 22 September 2014 and the approval and ratification of any implementation acts, facts and operations based on such, including the management of the Company under an unitary system.

# EGM Agenda

**EGM 5:** The approval of 15 October 2014 as the registration date, in accordance with the provisions of Article 238 para. (1) of Law no. 297/2004.

**EGM 6:** The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY, as legal representative of FTIML UK Bucharest Branch, to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, 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' resolutions, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

# OGM Agenda

**OGM 1:** The approval of the OGM agenda.

**OGM 2:** The approval of some amendments of the IMA signed between FTIML UK Bucharest Branch and Fondul Proprietatea SA on 25 February 2010 as imposed by FSA's Decision no. 70/19 June 2014, as follows. The approval of the amendment of Article 9 paragraph (1) (as imposed by FSA's Decision no. 70/19 June 2014), as follows: "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 to this present Contract, endorsed by CNVM". The approval of the amendment of Article 9.2 letter r) (as imposed by FSA's Decision no. 70/19 June 2014), as follows: "expenses related to the additional valuation of unlisted portfolio holdings by independent valuers, performed at the specific request of the shareholders, with the prior approval of the BoN, other than the ones falling under the obligation of the Fund Manager as portfolio manager of the UCITS in accordance with the legal provisions". The empowerment of the Sole Administrator to update the IMA signed on 25 February 2010 if this point is to be voted in favour by the shareholders during this meeting, as Addendum no. 4 of the IMA signed on 25 February 2010, and the empowerment of the Chairman of the Board of Nominees to sign the Addendum no. 4.

**OGM 3:** The approval of the renewal of the mandate of FTIML UK Bucharest Branch with its headquarters in Bucharest, 78-80 Buzzești St., 7th and 8th floors, 1st District, registered with the Trade Register under no. J40/8587/2009, with Fiscal Registration Code RO 25851096, registered with the Public Register of CNVM under no. PJM05SSAM/400001 as a branch of an Investment Management Company from a Member State of the European Union, as Sole Administrator and Fund Manager of Fondul Proprietatea SA for a duration of 2 years starting with 30 September 2014. The list containing data regarding FTIML UK Bucharest Branch (including name, headquarters, professional qualification, the evidence that it is registered with the Trade Register, the evidence that it is registered in the Public Register of the FSA) is published on the internet webpage of the Company and is available at the registered office and may be consulted and added to by shareholders in accordance with the law.

**OGM 4:** The approval of the Addendum no. 1 to the IM no. 45 signed between FTIML UK Bucharest Branch and Fondul Proprietatea SA on 29 April 2014 ("IMA"), reflecting the changes imposed by Decision no. 111/4 August 2014 issued by FSA and enclosed as Annex no. 1 to this convening notice. 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 IMA with the Sole Administrator on behalf of Fondul Proprietatea SA.

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**OGM 5:** The approval of the Addendum no. 2 to the IMA, substantially in the form mentioned in the Annex no. 2 of this notice and the empowerment of the Chairman of the Board of Nominees to sign the said Addendum no. 2 with the Sole Administrator on behalf of Fondul Proprietatea SA. The Addendum no. 2 shall be effective from the latest of the following dates: (i) the date of the endorsement by the FSA of such; and (ii) 15 October 2014. The Fund Manager notes that these amendments would reinstate the same terms as were in the IMA approved by shareholders and signed by the Chairman of the Board of Nominees and the Fund Manager on 29 April 2014, but not approved by the FSA. The one exception to this principle is the addition of a clarification in the wording of the Annex to the IMA, regarding the Distribution Fee, which has been specified in order to reflect the original agreement that these fees should apply from 30 September 2014 (even if these amendments are approved by FSA and take effect at a later date).

**OGM 6:** The approval of the execution of the Addendum no. 2 to the audit contract concluded between Fondul Proprietatea SA and Deloitte Audit S.R.L in accordance with OGM Resolution no. 13/22 November 2013.

**OGM 7:** The ratification and the approval of all OGM decisions and of all legal acts (including decisions and contracts) concluded, adopted or issued on behalf of Fondul Proprietatea S.A. by FTIML UK Bucharest Branch, as well as of any management/administration measures adopted and/or implemented by it, approved or concluded between 6 September 2010 and 22 September 2014. The ratification of the appointment of FTIML UK Bucharest Branch as Sole Administrator of Fondul Proprietatea SA and as Fund Manager pursuant to Law no. 297/2004 and according to the IMA signed on 25 February 2010 and the IMA signed on 29 April 2014 and the ratification and the approval of the IMA signed on 25 February 2010 including all amendments thereto and the IMA signed on 29 April 2014.

**OGM 8:** The approval of 15 October 2014 as the registration date, in accordance with the provisions of Article 238 para. (1) of Law no. 297/2004.

**OGM 9:** The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY, as legal representative of FTIML UK 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.

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