

To: **Bucharest Stock Exchange**
Financial Supervisory Authority

Current report according to Article 99 letter (s) of the Rule book of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments.

Important events to be reported:

Partial regulatory endorsement of the Resolutions issued by the Fund's Shareholders on 25 April 2013 regarding the amendment of the Fund's Constitutive Act and the Investment Management Agreement

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("FTIML / the Fund Manager"), in its capacity of sole administrator and fund manager of the Fund, would like to inform shareholders that on 12 August 2013, the Financial Supervisory Authority ("FSA") has partially endorsed amendments to the Fund's Constitutive Act ("Constitutive Act") and the Addendum no. 3 to the Investment Management Agreement ("Addendum no. 3") approved by the shareholders on 25 April 2013, but at the same time, imposed certain additional changes to Constitutive Act and Addendum no. 3.

Due to the fact that in accordance with the regulations in force the amendments to the Constitutive Act and the Investment Management Agreement are effective only after prior endorsement from the FSA, the Fund Manager has requested endorsement from the FSA for the changes to the Constitutive Act and the execution of Addendum no. 3 approved by the Fund's Shareholders on 25 April 2013, through letters registered with the FSA under number A/1058/9 May 2013 and A/2977/29 May 2013.

The Fund Manager has since complied with all requests of clarification and measures imposed by the FSA, such as to publish the Shareholders' Resolutions for the amendment of the Constitutive Act and Investment Management Agreement in the Official Gazette. FSA has approved only certain changes and imposed additional amendments to the Constitutive Act and Addendum no. 3 through Notices no. 28 and 29 of 12 August 2013. We underline that the Fund Manager is obliged to submit for shareholders' approval at the

Report date:

14 August 2013

Name of the issuing entity:

S.C. Fondul Proprietatea S.A. (the "Fund")

Registered office:

78-80 Buzesti St.,
7th floor, district 1,
Bucharest, postal code 011017

Phone/fax number:

Tel.: + 40 21 200 9600
Fax: + 40 21 200 9631

Sole Registration Code with the Trade Register Office:

18253260

Order number in the Trade Register:

J40/21901/2005

Subscribed share capital:

RON 13,778,392,208

Paid share capital:

RON 13,413,137,586

Regulated market on which the issued securities are traded:

Bucharest Stock Exchange

next general meeting all the changes to the Constitutive Act and Addendum no. 3 imposed by the FSA.

The changes to the Constitutive Act (attached as Annex 1) and Addendum no. 3 (attached as Annex 2), as approved by the shareholders and also as imposed by FSA, are enclosed in the Annexes to this report, together with the above-mentioned Notices from the FSA (attached as Annex 3). For further details regarding the shareholders resolutions approved on 25 April 2013 please access this link:

<http://www.fondulproprietatea.ro/investor-relations/gsm-information/gsm-decisions>.

The Fund Manager has not yet received the argumentation of FSA; once this is available, the Fund Manager will consider what steps may be appropriate and provide an update to shareholders.

The Fund Manager will continue to update shareholders and investors of further material developments and will continue to vigorously defend the interests of the Fund on behalf of all its shareholders.

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

Oana Valentina Truta
Legal Representative

Constitutive Act in force	Proposals	The response of Financial Supervisory Authority ("FSA")	Comments
<p>CHAPTER I Name of the company, legal form, headquarters and duration</p> <p>ARTICLE 1 Name of the Company</p> <p>(1) The name of the Company is "Fondul Proprietatea" - S.A. (2) All invoices, offers, orders, tariffs, prospectuses and other documents used in business, issued by the Company shall indicate the name, the legal form, the registered office, the registration number with the Commercial Registry and the sole registration code (CUI), the subscribed share capital, and the paid share capital with the mention "closed – end investment company".</p> <p>ARTICLE 2 Legal form of the company</p> <p>(1) "Fondul Proprietatea" - S.A., hereinafter referred to as "Fondul Proprietatea", is a Romanian legal person, set up as a joint-stock company. (2) Fondul Proprietatea is organized, operates and ceases its activity under the provisions of Law No. 247/2005 on property and justice reform, and additional measures, as further amended and completed, of Law No. 297/2004 on the capital market, as further amended and completed, and of Company Law No. 31/1990, republished, as further amended and completed. (3) Fondul Proprietatea is set up as an undertaking for collective investment (A.O.P.C.), of the closed-end-type, as defined by Art. 114(1) letter b) of Law No. 297/2004, as further amended and completed.</p>	<p>CHAPTER I Name of the company, legal form, headquarters and duration</p> <p>ARTICLE 1 Name of the Company</p> <p>(1) The name of the Company is "Fondul Proprietatea" - S.A. (2) All invoices, offers, orders, tariffs, prospectuses and other documents used in business, issued by the Company shall indicate the name, the legal form, the registered office, the registration number with the Commercial Registry and the sole registration code (CUI), the subscribed share capital, and the paid share capital with the mention "closed – end investment company".</p> <p>ARTICLE 2 Legal form of the company</p> <p>(1) "Fondul Proprietatea" - S.A., hereinafter referred to as "Fondul Proprietatea", is a Romanian legal person, set up as a joint-stock company. (2) Fondul Proprietatea is organized, operates and ceases its activity under the provisions of Law No. 247/2005 on property and justice reform, and additional measures, as further amended and completed, of Law No. 297/2004 on the capital market, as further amended and completed, and of Company Law No. 31/1990, republished, as further amended and completed. (3) Fondul Proprietatea is set up as an undertaking for collective investment (A.O.P.C.), of the closed-end-type, as defined by Art. 114(1) letter b) of Law No. 297/2004, as further amended and completed.</p>	Without changes	

<p style="text-align: center;">ARTICLE 3 Company headquarters</p> <p>(1) The registered office of Fondul Proprietatea is located in Bucharest, 78-80 Buzesti Street, floor 7th, Sector 1; the headquarters may be changed to any other location in Romania, by decision of the asset management company (Fund Manager), according to article 21 paragraph (3) xii).</p> <p>(2) The Company may set up secondary headquarters such as branches, representative offices, working points or other units with no legal personality, under the terms provided by law.</p> <p style="text-align: center;">ARTICLE 4 Company duration</p> <p>The duration of Fondul Proprietatea is unlimited.</p> <p style="text-align: center;">CHAPTER II Purpose and business object of the company</p> <p style="text-align: center;">ARTICLE 5 Company purpose</p> <p>The purpose of Fondul Proprietatea is the management and administration of the portfolio.</p> <p style="text-align: center;">ARTICLE 6 Business object</p> <p>(1) Fondul Proprietatea has as main object of activity the management and administration of the portfolio.</p> <p>(2) The main domain of activity of Fondul Proprietatea is the one described by CAEN Code 643 – mutual funds and other similar financial entities, and the main activity is financial investments - CAEN Code 6430.</p> <p>(3) The business object of Fondul Proprietatea is the following:</p> <p>a) management and administration of the portfolio;</p> <p>b) other additional and adjacent activities, according to the</p>	<p style="text-align: center;">ARTICLE 3 Company headquarters</p> <p>(1) The registered office of Fondul Proprietatea is located in Bucharest, 78-80 Buzesti Street, floor 7th, Sector 1; the headquarters may be changed to any other location in Romania, by decision of the asset management company (Fund Manager), according to article 21 paragraph (3) xii).</p> <p>(2) The Company may set up secondary headquarters such as branches, representative offices, working points or other units with no legal personality, under the terms provided by law.</p> <p style="text-align: center;">ARTICLE 4 Company duration</p> <p>The duration of Fondul Proprietatea is unlimited.</p> <p style="text-align: center;">CHAPTER II Purpose and business object of the company</p> <p style="text-align: center;">ARTICLE 5 Company purpose</p> <p>The purpose of Fondul Proprietatea is the management and administration of the portfolio.</p> <p style="text-align: center;">ARTICLE 6 Business object</p> <p>(1) Fondul Proprietatea has as main object of activity the management and administration of the portfolio.</p> <p>(2) The main domain of activity of Fondul Proprietatea is the one described by CAEN Code 643 – mutual funds and other similar financial entities, and the main activity is financial investments - CAEN Code 6430.</p> <p>(3) The business object of Fondul Proprietatea is the following:</p> <p>a) management and administration of the portfolio;</p> <p>b) other additional and adjacent activities, according to the</p>		
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regulations in force.	regulations in force.		
<p style="text-align: center;">CHAPTER III Share capital, shares</p> <p style="text-align: center;">ARTICLE 7 Share capital</p> <p>(1) The share capital of Fondul Proprietatea is in amount of Lei 13,778,392,208, divided in 13,778,392,208 ordinary, nominative shares, having a face value of RON 1 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by the Central Depository.</p> <p>(2) The identification data of each shareholder, the contribution to the share capital of each shareholder, the number of shares to which a shareholder is entitled to and the participation quota out of the total share capital are included in the shareholders' register kept by a computerized system by the Central Depository.</p>	<p style="text-align: center;">CHAPTER III Share capital, shares</p> <p style="text-align: center;">ARTICLE 7 Share capital</p> <p>(1) The share capital of Fondul Proprietatea is in amount of Lei 13,538,087,407, divided in 13,538,087,407 ordinary, nominative shares, having a face value of RON 1 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by the Central Depository.</p> <p>(2) The identification data of each shareholder, the contribution to the share capital of each shareholder, the number of shares to which a shareholder is entitled to and the participation quota out of the total share capital are included in the shareholders' register kept by a computerized system by the Central Depository.</p>	<p>FSA issued letter on 12 August 2013 announcing us that an opinion on this change will be issued only after 60 days after the decision is published in Official Gazette expires.</p>	<p>This change is object of EGM Resolution no. 1/2013 and has a similar object as EGM Resolution no. 3/2012. EGM Resolution no. 3/2012 was published in Official Gazette on 31 July 2013.</p>
<p style="text-align: center;">ARTICLE 8 Share capital increase and decrease</p> <p>(1) The extraordinary general meeting of the shareholders shall decide, under the conditions of the law, on the share capital increase and decrease of Fondul Proprietatea, in accordance with the provisions of art. 12(3) letter c) and d) of this constitutive act.</p> <p>(2) The share capital may be increased, in accordance with the</p>	<p style="text-align: center;">ARTICLE 8 Share capital increase and decrease</p> <p>(1) The extraordinary general meeting of the shareholders shall decide, under the conditions of the law, on the share capital increase and decrease of Fondul Proprietatea, in accordance with the provisions of art. 12(3) letter c) and d) of this constitutive act.</p> <p>(2) The share capital may be increased, in accordance with the</p>	Without changes.	

<p>provisions of the law, by:</p> <p>a) issuing new shares in exchange for cash contributions;</p> <p>b) incorporating reserves, except for the legal reserves and of the reserves created out of the re-evaluation of the non-current assets, as well as of the benefits and issuing premiums.</p> <p>(3) Any share capital increase as stated in paragraph 2 shall be registered at the Trade Register Office, on the basis of the decision made by the General Meeting of the Shareholders of Fondul Proprietatea,</p> <p>(4) Any share capital decrease shall be performed in accordance with the provisions of the law.</p> <p>(5) The share capital may be decreased by:</p> <p>a) decreasing the number of shares;</p> <p>b) decreasing the nominal value of shares; and</p> <p>c) other means provided by the law.</p> <p>(6) In case the Fund Manager notices that, due to accrued losses, the amount of the net assets, established as the difference between the total assets and total liabilities of Fondul Proprietatea, is less than half of the value of the subscribed share capital, the Fund Manager is bound to call the extraordinary general meeting of the shareholders, which will decide if Fondul Proprietatea needs to be dissolved. In case the extraordinary general meeting of the shareholders does not decide the dissolution of Fondul Proprietatea, then Fondul Proprietatea is bound to proceed, at the latest by the termination of the fiscal year subsequent to the one in which the losses were determined, with a share capital decrease with an amount at least equal to that of the losses which could not be covered by reserves, in case in this time the net assets of Fondul Proprietatea are not reconstituted up to a value at least equal to half of the share capital.</p> <p>(7) A share capital decrease shall be performed only after two months following the publication in the Official Gazette of Romania, Part IV, of the resolution of the extraordinary general meeting of the shareholders.</p>	<p>provisions of the law, by:</p> <p>a) issuing new shares in exchange for cash contributions;</p> <p>b) incorporating reserves, except for the legal reserves and of the reserves created out of the re-evaluation of the non-current assets, as well as of the benefits and issuing premiums.</p> <p>(3) Any share capital increase as stated in paragraph 2 shall be registered at the Trade Register Office, on the basis of the decision made by the General Meeting of the Shareholders of Fondul Proprietatea,</p> <p>(4) Any share capital decrease shall be performed in accordance with the provisions of the law.</p> <p>(5) The share capital may be decreased by:</p> <p>a) decreasing the number of shares;</p> <p>b) decreasing the nominal value of shares; and</p> <p>c) other means provided by the law.</p> <p>(6) In case the Fund Manager notices that, due to accrued losses, the amount of the net assets, established as the difference between the total assets and total liabilities of Fondul Proprietatea, is less than half of the value of the subscribed share capital, the Fund Manager is bound to call the extraordinary general meeting of the shareholders, which will decide if Fondul Proprietatea needs to be dissolved. In case the extraordinary general meeting of the shareholders does not decide the dissolution of Fondul Proprietatea, then Fondul Proprietatea is bound to proceed, at the latest by the termination of the fiscal year subsequent to the one in which the losses were determined, with a share capital decrease with an amount at least equal to that of the losses which could not be covered by reserves, in case in this time the net assets of Fondul Proprietatea are not reconstituted up to a value at least equal to half of the share capital.</p> <p>(7) A share capital decrease shall be performed only after two months following the publication in the Official Gazette of Romania, Part IV, of the resolution of the extraordinary general meeting of the shareholders.</p>		
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<p>ARTICLE 9 Shares</p> <p>(1) The shares of Fondul Proprietatea are nominative, of equal value, issued in dematerialized form, established by registration in the account, and grants equal rights to their holders under the conditions provided by art. 11.</p> <p>(2) The nominal value of a share is RON 1.</p> <p>(3) The shares are indivisible with respect to Fondul Proprietatea, acknowledging only one holder for each share. In case a share becomes the property of more persons, Fondul Proprietatea / the Central Depository is not bound to register the transfer as long as those persons will not appoint a sole representative to exercise the rights arising from the share.</p> <p>(4) The partial or total transfer of the shares amongst the shareholders or third parties is done according to the terms, conditions and procedure provided by law.</p> <p>(5) Fondul Proprietatea may buy back its own shares in accordance with the conditions laid down in legislation in force.</p> <p>(6) The right to dividends are held by the shareholders registered in the shareholders' register, according to the provisions of Law No. 297/2004, as further amended and completed, as well as the regulations issued for the implementation thereof.</p>	<p>ARTICLE 9 Shares</p> <p>(1) The shares of Fondul Proprietatea are nominative, of equal value, issued in dematerialized form, established by registration in the account, and grant equal rights to their holders under the conditions provided by art. 11.</p> <p>(2) The nominal value of a share is RON 1.</p> <p>(3) The shares are indivisible with respect to Fondul Proprietatea, acknowledging only one holder for each share. In case a share becomes the property of more persons, Fondul Proprietatea / the Central Depository is not bound to register the transfer as long as those persons will not appoint a sole representative to exercise the rights arising from the share.</p> <p>(4) The partial or total transfer of the shares amongst the shareholders or third parties is done according to the terms, conditions and procedure provided by law.</p> <p>(5) Fondul Proprietatea may buy back its own shares in accordance with the conditions laid down in legislation in force.</p> <p>(6) The right to dividends are held by the shareholders registered in the shareholders' register, according to the provisions of Law No. 297/2004, as further amended and completed, as well as the regulations issued for the implementation thereof.</p>	Without changes	
<p>ARTICLE 10 Bonds</p> <p>Fondul Proprietatea is authorized to issue bonds in accordance with the provisions of the law. Fondul Proprietatea is not allowed to conclude loan agreements for investment reasons.</p>	<p>ARTICLE 10 Bonds</p> <p>Fondul Proprietatea is authorized to issue bonds in accordance with the provisions of the law. Fondul Proprietatea is not allowed to conclude loan agreements for investment reasons.</p>	Without changes	
<p>ARTICLE 11 Rights and obligations arising from shares</p> <p>(1) Each share fully paid by the shareholders, according to the law,</p>	<p>ARTICLE 11 Rights and obligations arising from shares</p> <p>(1) Each share fully paid by the shareholders, according to the law,</p>	Without changes	

<p>grants them the right to vote in the general meeting of the shareholders, according to the provisions of paragraph (2), the right to elect and to be elected in the management bodies, the right to take part in the profit distribution, according to the provisions of this constitutive act and the legal dispositions, and other rights provided by the constitutive act.</p> <p>(2) The shares issued by Fondul Proprietatea grant the right to vote, each share grants one voting right.</p> <p>(3) Holding one share implies the rightful adhesion to this constitutive act.</p> <p>(4) The rights and obligations follow the shares in case ownership thereof passes to another person.</p>	<p>grants them the right to vote in the general meeting of the shareholders, according to the provisions of paragraph (2), the right to elect and to be elected in the management bodies, the right to take part in the profit distribution, according to the provisions of this constitutive act and the legal dispositions, and other rights provided by the constitutive act.</p> <p>(2) The shares issued by Fondul Proprietatea grant the right to vote, each share granting one voting right.</p> <p>(3) Holding one share implies the rightful adhesion to this constitutive act.</p> <p>(4) The rights and obligations follow the shares in case ownership thereof passes to another person.</p>		
<p style="text-align: center;">CHAPTER IV General meeting of the shareholders</p> <p style="text-align: center;">ARTICLE 12 General meetings of the shareholders</p> <p>(1) The general meeting of the shareholders may be ordinary and extraordinary.</p> <p>(2) The ordinary general meeting of the shareholders has the following competencies, duties and functions:</p> <p>a) to discuss, approve and amend the annual financial statements after reviewing the reports of the Fund Manager and financial auditor;</p> <p>b) to establish the distribution of the net profit and to establish the dividends;</p> <p>c) to appoint the members of the Board of Nominees ("BoN") and to cancel their appointment;</p> <p>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;</p> <p>e) to appoint and cancel the appointment of the financial auditor and to set the minimum duration of the financial audit agreement;</p>	<p style="text-align: center;">CHAPTER IV General meeting of the shareholders</p> <p style="text-align: center;">ARTICLE 12 General meetings of the shareholders</p> <p>(1) The general meeting of the shareholders may be ordinary and extraordinary.</p> <p>(2) The ordinary general meeting of the shareholders has the following competencies, duties and functions:</p> <p>a) to discuss, approve and amend the annual financial statements after reviewing the reports of the Fund Manager and financial auditor;</p> <p>b) to establish the distribution of the net profit and to establish the dividends;</p> <p>c) to appoint the members of the Board of Nominees ("BoN") and to cancel their appointment;</p> <p>d) to appoint the Fund Manager on the basis of the results of an international tender organized by the Board of Nominees and to cancel its appointment;</p> <p>e) to appoint and cancel the appointment of the financial auditor</p>	<p>FSA endorsed this change under the condition of rewording it as</p>	<p>This change is object of EGM Resolution</p>

<p>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 the ongoing fiscal year;</p> <p>g) to rule over the management of the Fund Manager and to evaluate his/her performances and to discharge him/her from its management,</p> <p>h) to decide on the action in a court of law against the Fund Manager or, as the case may be, against the financial auditor, for damages caused to Fondul Proprietatea;</p> <p>i) to approve the strategies and the development policies of Fondul Proprietatea;</p> <p>j) to establish the annual income and expenditure budget, and to approve the business programme for the following financial year;</p> <p>k) to decide upon the pledge, lease or the creation of the movable securities or mortgages on the assets of Fondul Proprietatea;</p> <p>l) to decide on any other aspects regarding Fondul Proprietatea, according to the legal duties.</p> <p>(3) The extraordinary general meeting of the shareholders is entitled to decide on the following:</p> <p>a) set-up or closing of some secondary units: branches, agencies, representative offices or other such units with no legal personality;</p> <p>b) share capital increase;</p> <p>c) share capital decrease or re-completion thereof by issuing new shares;</p> <p>d) conversion of shares from one category to another;</p> <p>e) conversion of a category of bonds to another category or to shares;</p> <p>f) issue of new bonds;</p> <p>g) approves the admission for trading and nominates the regulated market on which the shares of Fondul Proprietatea will be traded;</p> <p>h) execution of any agreement / legal documents which may create binding obligations on Fondul Proprietatea including, without limitation to, agreements for purchase, sale or exchange or creation of encumbrances of the assets whose value exceeds, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables;</p> <p>i) change of the management system of Fondul Proprietatea;</p> <p>j) limitation or cancellation of the preference right of the</p>	<p>and to set the minimum duration of the financial audit agreement;</p> <p>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 the ongoing fiscal year;</p> <p>g) to rule over the management of the Fund Manager and to evaluate his/her performances and to discharge him/her from its management,</p> <p>h) to decide on the action in a court of law against the Fund Manager or, as the case may be, against the financial auditor, for damages caused to Fondul Proprietatea;</p> <p>i) to approve the strategies and the development policies of Fondul Proprietatea;</p> <p>j) to establish the annual income and expenditure budget for the following financial year;</p> <p>k) to decide upon the pledge, lease or the creation of the movable securities or mortgages on the assets of Fondul Proprietatea;</p> <p>l) to decide on any other aspects regarding Fondul Proprietatea, according to the legal duties.</p> <p>(3) The extraordinary general meeting of the shareholders is entitled to decide on the following:</p> <p>a) set-up or closing of some secondary units: branches, agencies, representative offices or other such units with no legal personality;</p> <p>b) share capital increase;</p> <p>c) share capital decrease or re-completion thereof by issuing new shares;</p> <p>d) conversion of shares from one category to another;</p> <p>e) conversion of a category of bonds to another category or to shares;</p> <p>f) issue of new bonds;</p> <p>g) approves the admission for trading and nominates the regulated market on which the shares of Fondul Proprietatea will be traded;</p> <p>h) execution of any agreement / legal documents which may create binding obligations on Fondul Proprietatea including, without limitation, agreements for purchase, sale or exchange or creation of encumbrances of the assets whose value exceeds, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables;</p> <p>i) change of the management system of Fondul Proprietatea;</p> <p>j) limitation or cancellation of the preference right of the</p>	<p>follows:</p> <p>“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;”</p> <p>FSA endorsed this change without comments.</p>	<p>no. 11/2013 and it was proposed by a shareholder owning more than 5% of the share capital. Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the Constitutive Act in force – in fact FSA has not endorsed the change approved by shareholders .</p> <p>This change is object of EGM Resolution no. 2/2013 and it will be in force after is published in the Official Gazette.</p>
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shareholders; k) approves the Investment Policy Statement; l) any other amendment of the constitutive act or any other resolution requiring the approval of the extraordinary general meeting of the shareholders, according to applicable law or to this Constitutive Act.	shareholders; k) approves the Investment Policy Statement; l) any other amendment of the constitutive act or any other resolution requiring the approval of the extraordinary general meeting of the shareholders, according to applicable law or to this Constitutive Act.		
<p style="text-align: center;">ARTICLE 13</p> <p style="text-align: center;">Summoning the general meeting of the shareholders</p> <p>(1) The general meeting of the shareholders is called by the Fund Manager whenever required. Prior to the convocation of the general meeting of the shareholders, the Fund Manager shall communicate to the Board of Nominees the intention to call the general meeting and shall introduce on the list of matters for the meeting all matters requested by the Board of Nominees.</p> <p>(2) The ordinary general meeting of the shareholders meets at least once a year, within 4 months from the end of the financial year.</p> <p>(3) The date of the meeting may not be less than 30 days from the publication of the convocation in the Official Gazette of Romania, Part IV.</p> <p>(4) The general meeting of the shareholders, either ordinary or extraordinary, shall be called whenever required, according to the legal provisions in force and with the dispositions of the constitutive act, by publication of the calling notice in the Official Gazette of Romania, Part IV, and a national daily newspaper or in a local newspaper largely read in the locality where the HQ of the company resides at least 30 days prior to the proposed date of meeting.</p> <p>(5) One or more shareholders, individually or jointly, representing at least 5% of the share capital of Fondul Proprietatea, may request the Fund Manager by a written address signed by the holder(s) to introduce in the agenda new matters, within 15 days of the publication of the calling notice.</p> <p>(6) The calling notice, any other matter added to the agenda at the request of the shareholders or of the Board of Nominees, the annual financial statements, the annual report of the Fund</p>	<p style="text-align: center;">ARTICLE 13</p> <p style="text-align: center;">Summoning the general meeting of the shareholders</p> <p>(1) The general meeting of the shareholders is called by the Fund Manager whenever required. Prior to the convocation of the general meeting of the shareholders, the Fund Manager shall communicate to the Board of Nominees the intention to call the general meeting and shall introduce on the list of matters for the meeting all matters requested by the Board of Nominees.</p> <p>(2) The ordinary general meeting of the shareholders meets at least once a year, within 4 months from the end of the financial year.</p> <p>(3) The date of the meeting may not be less than 30 days from the publication of the convocation in the Official Gazette of Romania, Part IV.</p> <p>(4) The general meeting of the shareholders, either ordinary or extraordinary, shall be called whenever required, according to the legal provisions in force and with the dispositions of the constitutive act, by publication of the calling notice in the Official Gazette of Romania, Part IV, and a national daily newspaper or in a local newspaper largely read in the locality where the HQ of the company resides at least 30 days prior to the proposed date of meeting.</p> <p>(5) One or more shareholders, individually or jointly, representing at least 5% of the share capital of Fondul Proprietatea, may request the Fund Manager by a written address signed by the holder(s) to introduce in the agenda new matters, within 15 days of the publication of the calling notice.</p> <p>(6) The calling notice, any other matter added to the agenda at the request of the shareholders, or of the Board of Nominees, the annual financial statements, the annual report of the Fund</p>	Without changes	

Manager, the report of the Board of Nominees as well as the proposal to distribute dividends are made available to the shareholders, at the headquarters of Fondul Proprietatea at the date of convocation of the general meeting, and are also published on the internet page, for free access to information by the shareholders. Upon request, copies of these documents shall be issued to the shareholders.

(7) The calling notice includes the place, hour and date of the general meeting of the shareholders, as well as the agenda, expressly mentioning all matters that will be subject to debate. Upon calling the general meeting of the shareholders the provisions of art. 147-158 of Regulation No. 15/2004 regarding the authorization and functioning of investment management firms, collective investment undertaking and depositories, approved by Order of the president of the National Securities Commission No. 67/2004, as further amended, shall apply.

(8) In case the agenda includes proposals to amend the constitutive act, the notice shall include the full text of the proposals. In case the agenda includes the appointment of the members of the Board of Nominees, the notice shall mention that the list including information regarding the name, the residence and professional training of the persons proposed for the position of member of the Board of Nominees is available to the shareholders, to be further reviewed and completed by shareholders.

(9) The notice for the first general meeting of the shareholders must set 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 due to non-attendance of the required quorum.

(10) The general meeting of the shareholders shall meet at the headquarters of Fondul Proprietatea or in another place indicated in the notice.

(11) The Board of Nominees may request to the Fund Manager the calling of the general meeting, and if the Fund Manager does not observe the written request of the Board of Nominees within 5 working days from receiving it, the Board of Nominees may call upon the general meeting of the shareholders by following the same procedures as set out in this Article.

(12) The chairperson of Board of Nominees may request to the

Manager, the report of the Board of Nominees as well as the proposal to distribute dividends are made available to the shareholders, at the headquarters of Fondul Proprietatea at the date of convocation of the general meeting, and are also published on the internet page, for free access to information by the shareholders. Upon request, copies of these documents shall be issued to the shareholders.

(7) The calling notice includes the place, hour and date of the general meeting of the shareholders, as well as the agenda, expressly mentioning all matters that will be subject to debate. Upon calling the general meeting of the shareholders the provisions of art. 147-158 of Regulation No. 15/2004 regarding the authorization and functioning of investment management firms, collective investment undertaking and depositories, approved by Order of the president of the National Securities Commission No. 67/2004, as further amended, shall apply.

(8) In case the agenda includes proposals to amend the constitutive act, the notice shall include the full text of the proposals. In case the agenda includes the appointment of the members of the Board of Nominees, the notice shall mention that the list including information regarding the name, the residence and professional training of the persons proposed for the position of member of the Board of Nominees is available to the shareholders, to be further reviewed and completed by shareholders.

(9) The notice for the first general meeting of the shareholders must set 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 due to non-attendance of the required quorum.

(10) The general meeting of the shareholders shall meet at the headquarters of Fondul Proprietatea or in another place indicated in the notice.

(11) The Board of Nominees may request to the Fund Manager the calling of the general meeting, and if the Fund Manager does not observe the written request of the Board of Nominees within 5 working days from receiving it, the Board of Nominees may call upon the general meeting of the shareholders by following the same procedures as set out in this Article.

(12) The chairperson of Board of Nominees may request to the

<p>Fund Manager the calling of the general meeting according to article 16 paragraph (4) second sentence.</p> <p>(13) The Fund Manager shall immediately call the general meeting of the shareholders, upon written request of the shareholders, individually or jointly, representing at least 5% of the share capital, if the request includes dispositions that fall under the responsibility of the general meeting of shareholders.</p> <p>(14) In the case provided by paragraph (13), the general meeting of the shareholders shall be called within at most 30 calendar days and shall meet within at most 60 calendar days as of the date when the Fund Manager received the request of the shareholders.</p> <p>(15) In the situation provided by paragraphs (13) and (14), in case the Fund Manager does not call the general meeting of shareholders, the shareholders who requested the calling of the general meeting may request the same to the Board of Nominees. If the Board of Nominees is also does not responding to their request in 10 working days from the receipt of the request, the court of law with jurisdiction over the headquarters of Fondul Proprietatea, by summoning the Fund Manager, may authorize the calling of the general meeting by the shareholders which formulated the request.</p>	<p>Fund Manager the calling of the general meeting according to article 16 paragraph (4) second sentence.</p> <p>(13) The Fund Manager shall immediately call the general meeting of the shareholders, upon written request of the shareholders, individually or jointly, representing at least 5% of the share capital, if the request includes dispositions that fall under the responsibility of the general meeting of shareholders.</p> <p>(14) In the case provided by paragraph (13), the general meeting of the shareholders shall be called within at most 30 calendar days and shall meet within at most 60 calendar days as of the date when the Fund Manager received the request of the shareholders.</p> <p>(15) In the situation provided by paragraphs (13) and (14), in case the Fund Manager does not call the general meeting of shareholders, the shareholders who requested the calling of the general meeting may request the same to the Board of Nominees. If the Board of Nominees also does not respond to their request in 10 working days from the receipt of the request, the court of law with jurisdiction over the headquarters of Fondul Proprietatea, by summoning the Fund Manager, may authorize the calling of the general meeting by the shareholders which formulated the request.</p>		
<p style="text-align: center;">ARTICLE 14</p> <p style="text-align: center;">Organization of the general meeting of the shareholders</p> <p style="text-align: center;">I. Quorum and voting rights</p> <p>(1) Upon the first calling, for the validity of the deliberations of the ordinary general meeting of the shareholders, attendance is required by shareholders representing at least a fourth of the shares with right to vote. The decisions of the ordinary general meeting of the shareholders are taken with the majority of votes. The decision of the ordinary general meeting of the shareholders regarding the cancellation of the appointment of the members of the Board of Nominees and of the Fund Manager are taken with a majority of at least two thirds of the number of votes attending or being represented.</p>	<p style="text-align: center;">ARTICLE 14</p> <p style="text-align: center;">Organization of the general meeting of the shareholders</p> <p style="text-align: center;">IV. Quorum and voting rights</p> <p>(1) Upon the first calling, for the validity of the deliberations of the ordinary general meeting of the shareholders it is required that the shareholders representing at least a fourth of the shares with right to vote to attend. The decisions of the ordinary general meeting of the shareholders are taken with the majority of votes.</p> <p>(2) In case the ordinary general meeting of the shareholders cannot operate due to lack of quorum under paragraph (1), the</p>	<p>FSA endorsed this change without comments.</p>	<p>This change is object of EGM Resolution no. 12/2013 and it will be in force after is published in the Official Gazette.</p>

(2) In case the ordinary general meeting of the shareholders cannot operate due to lack of quorum under paragraph (1), the meeting that will meet upon a second convocation may deliberate on the items included in the agenda of the first meeting, irrespective of the met quorum, taking decision by majority of the expressed votes.

(3) For the validity of the deliberations of the extraordinary general meeting of the shareholders the following are required:

a) upon the first convocation, the attendance of the shareholders representing at least a fourth of the shares having voting rights, and the decisions are taken with majority of votes held by the shareholders attending or being represented;

b) upon the second convocation, the general meeting of the shareholders may deliberate on the items included in the agenda of the first meeting in the presence of the shareholders representing at least one fifth of the total number of the shares having voting rights, taking decisions by majority of votes held by the shareholders attending or being represented.

(4) The attendance of shareholders representing at least 50% of the total number of the voting rights, both at the first and the second convocation, is required for the validity of deliberations of the extraordinary general meeting of the shareholders to adopt a decision regarding (i) a share capital increase, (ii) a share capital decrease except a share capital decrease for the cancellation of bought-back shares or unpaid shares, or (iii) the anticipated dissolution of Fondul Proprietatea, made under the conditions of the law.

(5) For the validity of the deliberations of the extraordinary general meeting of shareholders regarding a share capital decrease for the cancellation of bought-back shares, attendance is required of shareholders representing (i) at least a fourth of the shares having voting rights upon the first convocation, and (ii) at least one fifth of the total number of the shares having voting rights, upon the second convocation.

(6) The decision to amend the main business object of Fondul Proprietatea, to decrease or increase the share capital, to change the legal form, to merge, de-merge or dissolve, is taken with a majority of at least two thirds of the voting rights related to the shares having voting rights of the shareholders attending or being represented.

meeting that will meet upon a second convocation may deliberate on the items included in the agenda of the first meeting, irrespective of the met quorum, taking decision by majority of the expressed votes.

(3) For the validity of the deliberations of the extraordinary general meeting of the shareholders, the following are required:

a) upon the first convocation, the attendance of the shareholders representing at least a fourth of the shares having voting rights, and the decisions are taken with majority of votes held by the shareholders attending or being represented;

b) upon the second convocation, the general meeting of the shareholders may deliberate on the items included in the agenda of the first meeting in the presence of the shareholders representing at least one fifth of the total number of the shares having voting rights, taking decisions by majority of votes held by the shareholders attending or being represented.

(4) The attendance of shareholders representing at least 50% of the total number of the voting rights, both at the first and the second convocation, is required for the validity of deliberations of the extraordinary general meeting of the shareholders to adopt a decision regarding (i) a share capital increase, (ii) a share capital decrease except a share capital decrease for the cancellation of bought-back shares or unpaid shares, or (iii) the anticipated dissolution of Fondul Proprietatea, made under the conditions of the law.

(5) For the validity of the deliberations of the extraordinary general meeting of shareholders regarding a share capital decrease for the cancellation of bought-back shares, attendance is required of shareholders representing (i) at least a fourth of the shares having voting rights upon the first convocation, and (ii) at least one fifth of the total number of the shares having voting rights, upon the second convocation.

(6) The decision to amend the main business object of Fondul Proprietatea, to decrease or increase the share capital, to change the legal form, to merge, de-merge or dissolve, is taken with a majority of at least two thirds of the voting rights related to the shares having voting rights of the shareholders attending or being represented.

II. Procedure of the meetings	V. Procedure of the meetings		
<p>(7) On the day and hour established in the convocation, the general meeting of the shareholders shall be opened by the permanent representative of the Fund Manager or, in its absence, by the one holding its place. A legal representative of the Fund Manager or a person appointed by the legal representative of the Fund Manager shall be the chairman of the meeting. The members of the Board of Nominees shall participate at the meetings, as well.</p> <p>(8) The general meeting shall elect, from amongst the attending shareholders, from 1 up to 3 secretaries, who will check the attendance list of the shareholders, indicating the share capital represented by each of them, the minutes drawn up by the technical secretary to determine the number of the submitted shares and the fulfilment of the formalities requested by law and by the constitutive act for holding the general meeting of the shareholders.</p> <p>(9) A minute of the meeting, signed by the president and by Secretaries, shall determine the fulfilment of the calling formalities, the date and place of the general meeting of the shareholders, attending shareholders, the members of the Board of Nominees present, the number of shares, a summary of the debates, the decisions taken, and upon request of the shareholders, the statements made thereby in the meeting.</p> <p>(10) The documents referring to the convocation, the list of attending as well as, as the case may be, the powers of attorney of the representatives of the shareholders shall be attached to each minutes.</p> <p>(11) The permanent representative of the Fund Manager may appoint, from amongst the employees of Fund Manager, one or more technical secretaries, to fulfil their duties according to the legal provisions.</p> <p>(12) The decisions of the general meetings of the shareholders are drawn-up based on the minutes and are signed by the permanent representative of the Fund Manager or by a person appointed thereby. The minutes shall be recorded in the general meetings of the shareholders' register.</p> <p>(13) Considering the extremely large number of shareholders of Fondul Proprietatea the shareholders may participate in person, by</p>	<p>(7) On the day and hour established in the convocation, the general meeting of the shareholders shall be opened by the permanent representative of the Fund Manager or, in its absence, by the one holding its place. A legal representative of the Fund Manager or a person appointed by the legal representative of the Fund Manager shall be the chairman of the meeting. The members of the Board of Nominees shall participate at the meetings, as well.</p> <p>(8) The general meeting shall elect, from amongst the attending shareholders, from 1 up to 3 secretaries, who will check the attendance list of the shareholders, indicating the share capital represented by each of them, the minutes drawn up by the technical secretary to determine the number of the submitted shares and the fulfilment of the formalities requested by law and by the constitutive act for holding the general meeting of the shareholders.</p> <p>(9) A minute of the meeting, signed by the president and by Secretaries, shall determine the fulfilment of the calling formalities, the date and place of the general meeting of the shareholders, attending shareholders, the members of the Board of Nominees present, the number of shares, a summary of the debates, the decisions taken, and upon request of the shareholders, the statements made thereby in the meeting.</p> <p>(10) The documents referring to the convocation and the shareholders' attending list shall be attached to each minutes.</p> <p>(11) The permanent representative of the Fund Manager may appoint, from amongst the employees of Fund Manager, one or more technical secretaries, to fulfil their duties according to the legal provisions.</p> <p>(12) The decisions of the general meetings of the shareholders are drawn-up based on the minutes and are signed by the permanent representative of the Fund Manager or by a person appointed thereby. The minutes shall be recorded in the general meetings of the shareholders' register.</p> <p>(13) Considering the extremely large number of shareholders of Fondul Proprietatea the shareholders may participate in person, by proxy with a special power of attorney or may express their voting right by correspondence or by electronic voting; the procedures</p>	<p>FSA endorsed this change under the condition of rewording it as follows: “(10) The documents referring to the convocation, the lists of attending, as well as, as the case may be, the powers of attorney of the representatives</p>	<p>This change is object of EGM Resolution no. 3/2013. Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one</p>

<p>proxy with a special power of attorney or may express their voting right by correspondence or by electronic voting; the procedures and forms for the proxy, correspondence and electronic voting shall be set by the Fund Manager, in accordance with the applicable legislation and are made available to the shareholders at least by the date of publishing of the convening notice for the general meeting of shareholders.</p> <p>(14) Considering the introduction of the voting right by correspondence, which right may be exercised and it is recommended to be exercised by any of the shareholders, the statutory quorum that needs to be met for the valid holding of any type of general meeting of the shareholders is calculated by including the votes deemed validly sent by correspondence.</p> <p>(15) Also in the case of the vote by correspondence, each shareholder is entitled to pronounce himself in writing, with respect to the issues included in the agenda, casting a vote "for", "against" or "abstained". The expressed votes that are not cancelled are considered.</p> <p>(16) All shareholders who, at the reference date, are registered in the shareholders' register, kept according to the law, have the right to participate to the general meetings of the shareholders.</p> <p>(17) In order to ensure the effective and real possibility of all shareholders to be informed of the contents of the documents and the proposals of the persons requiring the organization of the general meeting of the shareholders, by care of the Fund Manager, such will be available, at the headquarters of Fondul Proprietatea, as well as on the internet page of Fondul Proprietatea, at least 30 days prior to the date provided for holding the meeting. Where the calling of the general meeting is made by the Board of Nominees, the Fund Manager has the obligation to fulfil all the above mentioned formalities at the request of the Board of Nominees. Where the communication with shareholders is not realized in this way, for reasons outside its reasonable control, the Board of Nominees may announce in the calling notice a different address than the registered address of Fondul Proprietatea, where the above mentioned documents will be made public, in accordance with the applicable legislation.</p> <p>(18) In the advertisements informing of the convocation of the general meeting of shareholders of Fondul Proprietatea, the Fund Manager will indicate the reference date in relation to which the</p>	<p>and forms for the proxy, correspondence and electronic voting shall be set by the Fund Manager, in accordance with the applicable legislation and are made available to the shareholders at least by the date of publishing of the convening notice for the general meeting of shareholders.</p> <p>(14) Considering the introduction of the voting right by correspondence, which right may be exercised and it is recommended to be exercised by any of the shareholders, the statutory quorum that needs to be met for the valid holding of any type of general meeting of the shareholders is calculated by including the votes deemed validly sent by correspondence.</p> <p>(15) Also in the case of the vote by correspondence, each shareholder is entitled to pronounce himself in writing, with respect to the issues included in the agenda, casting a vote "for", "against" or "abstained". The expressed votes that are not cancelled are considered.</p> <p>(16) All shareholders who, at the reference date, are registered in the shareholders' register, kept according to the law, have the right to participate to the general meetings of the shareholders.</p> <p>(17) In order to ensure the effective and real possibility of all shareholders to be informed of the contents of the documents and the proposals of the persons requiring the organization of the general meeting of the shareholders, by care of the Fund Manager, such will be available, at the headquarters of Fondul Proprietatea, as well as on the internet page of Fondul Proprietatea, at least 30 days prior to the date provided for holding the meeting. Where the calling of the general meeting is made by the Board of Nominees, the Fund Manager has the obligation to fulfil all the above mentioned formalities at the request of the Board of Nominees. Where the communication with shareholders is not realised in this way, for reasons outside its reasonable control, the Board of Nominees may announce in the calling notice a different address than the registered address of Fondul Proprietatea, where the above mentioned documents will be made public, in accordance with the applicable legislation.</p> <p>(18) In the advertisements informing of the convocation of the general meeting of shareholders of Fondul Proprietatea, the Fund Manager will indicate the reference date in relation to which the shareholders will be entitled to participate and vote. In addition, the date by when the shareholders may send their votes, as well as the</p>	<p><i>of the shareholders shall be attached to each minutes;"</i></p>	<p>of the Constitutive Act in force – in fact FSA has not endorsed the change approved by shareholders</p>
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<p>shareholders will be entitled to participate and vote. In addition, the date by when the shareholders may send their votes, as well as the procedure for voting by correspondence, regarding any of the issues subject to approval shall also be set out. If the calling of the general meeting is made at the request of the Board of Nominees, the above mentioned duties shall be fulfilled by the Board of Nominees. The deadline by when votes by correspondence may be registered shall be at least 5 working days subsequent to the date of publication of the informative material and prior to the convocation date of the general meeting of the shareholders by at least 48 hours.</p> <p>(19) The votes of the shareholders will be sent electronically or by letter at the headquarters of Fondul Proprietatea, in a clear and precise form, containing the mention "for", "against" or "abstained" to each issue subject to approval.</p> <p>(20) The votes transmitted electronically shall be cancelled if they do not observe the procedure set by the Fund Manager drawn up according to the National Securities Commission regulations and such votes will not be taken into consideration in calculating the attending quorum.</p> <p>III. Exercising the voting right in the general meeting of the shareholders</p> <p>(21) The shareholders may be represented in each general meeting by other shareholders or by third parties subject to evidence that voting authority has been delegated by the shareholder for that particular general meeting.</p> <p>(22) The decisions of the general meetings of the shareholders are taken by open vote, except for the cases the law or this constitutive act does not provide differently.</p> <p>(23) Only the shareholders registered in the company shareholders' register at the reference date established by the Fund Manager or the Board of Nominees, as the case may be, when calling the general meeting of the shareholders shall be entitled to participate to the meeting and vote after proving their identity.</p> <p>(24) Secret vote is compulsory for electing and revoking the Fund Manager, the members of the Board of Nominees, the financial</p>	<p>procedure for voting by correspondence, regarding any of the issues subject to approval shall also be set out. If the calling of the general meeting is made at the request of the Board of Nominees, the above mentioned duties shall be fulfilled by the Board of Nominees. The deadline by when votes by correspondence may be registered shall be at least 5 working days subsequent to the date of publication of the informative material and prior to the convocation date of the general meeting of the shareholders by at least 48 hours.</p> <p>(19) The votes of the shareholders will be sent electronically or by letter to the headquarters of Fondul Proprietatea, in a clear and precise form, noting "for", "against" or "abstained" in relation to each issue subject to approval for which the shareholder intends to cast a vote.</p> <p>(20) The votes transmitted electronically shall be cancelled if they do not observe the procedure set by the Fund Manager drawn up according to the National Securities Commission regulations and such votes will not be taken into consideration in calculating the attending quorum.</p> <p>VI. Exercising the voting right in the general meeting of the shareholders</p> <p>(21) The shareholders may be represented in each general meeting by other shareholders or by third parties subject to evidence that voting authority has been delegated by the shareholder for that particular general meeting.</p> <p>(22) The decisions of the general meetings of the shareholders are taken by open vote, except for the cases the law or this constitutive act does not provide differently.</p> <p>(23) Only the shareholders registered in the company shareholders' register at the reference date established by the Fund Manager or the Board of Nominees, as the case may be, when calling the general meeting of the shareholders shall be entitled to participate to the meeting and vote after proving their identity.</p> <p>(24) Secret vote is compulsory for electing and revoking the Fund Manager, the members of the Board of Nominees, the financial auditors and for taking some measures/decisions regarding the</p>	<p>FSA endorsed this change under the condition of rewording it as follows: <i>“(19) The votes of the shareholders will be sent electronically or by letter with receipt acknowledgment to the headquarters of Fondul Proprietatea, in a clear and precise form, noting “for”, “against” or “abstained” in relation to each issue subject to approval, for which the shareholder intends to cast a vote.”</i></p>	<p>This change is object of EGM Resolution no. 4/2013. FSA obliges FP to organize a new EGM and to ask the shareholders to vote the new text.</p>
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<p>auditors and for taking some measures/decisions regarding the liability of the Fund Manager or of the members of the Board of Nominees and of the financial auditors of Fondul Proprietatea.</p> <p>(25) The procedures referring to the secret vote, where applicable will be approved by the Fund Manager and will be made public on the website of Fondul Proprietatea at least by the date of publishing of the convening notice for general meeting of shareholders.</p> <p>(26) The decisions of the general meeting of the shareholders are binding for all shareholders, even for the absent shareholders or those who voted against or abstained.</p> <p>(27) The shareholders who do not have capacity to act, as well as the legal entities may be represented by their legal representatives who, in their turn, may grant power of attorney to other persons for that particular general meeting of the shareholders.</p>	<p>liability of the Fund Manager or of the members of the Board of Nominees and of the financial auditors of Fondul Proprietatea.</p> <p>(25) The procedures referring to the secret vote, where applicable, will be approved by the Fund Manager and will be made public on the website of Fondul Proprietatea at least by the date of publishing of the convening notice for general meeting of shareholders.</p> <p>(26) The decisions of the general meeting of the shareholders are binding for all shareholders, even for the absent shareholders or those who voted against or abstained.</p> <p>(27) The shareholders who do not have capacity to act, as well as the legal entities may be represented by their legal representatives who, in their turn, may grant power of attorney to other persons for that particular general meeting of the shareholders.</p>		
<p style="text-align: center;">CHAPTER V The Board of Nominees</p> <p style="text-align: center;">ARTICLE 15 Organisation</p> <p>(1) The ordinary general meeting of the shareholders shall appoint the Board of Nominees, formed of 5 members, and shall establish their remuneration.</p> <p>(2) Any shareholder will have the right to make proposals on the members of the Board of Nominees The members of the Board of Nominees may be shareholders of Fondul Proprietatea or other persons designated by the shareholders and they must have the proper experience and knowledge in order to be able to receive the Fund Manager reports and of the consultants and, based on the information received, judge the merits of the management of Fondul Proprietatea within the limits of the objectives and principles set by the investment policy as well as by the applicable laws and regulations. Also, the members of the Board of Nominees have to be qualified properly in order to decide (if there is need with the support of an independent consultant) if the transactions</p>	<p style="text-align: center;">CHAPTER V The Board of Nominees</p> <p style="text-align: center;">ARTICLE 15 Organisation</p> <p>(1) The ordinary general meeting of the shareholders shall appoint the Board of Nominees, formed of 5 members, and shall establish their remuneration.</p> <p>(2) Any shareholder will have the right to make proposals on the members of the Board of Nominees The members of the Board of Nominees may be shareholders of Fondul Proprietatea or other persons designated by the shareholders and they must have the proper experience and knowledge in order to be able to receive the Fund Manager reports and of the consultants and, based on the information received, judge the merits of the management of Fondul Proprietatea within the limits of the objectives and principles set by the investment policy as well as by the applicable laws and regulations. Also, the members of the Board of Nominees have to be qualified properly in order to decide (if there is need with the support of an independent consultant) if the transactions proposed by the Fund Manager needing the approval of the Board of</p>	Without changes	

<p>proposed by the Fund Manager needing the approval of the Board of Nominees are made to the advantage of the shareholders.</p> <p>(3) The mandate of the members of the Board of Nominees is of 3 years, period to be extended by right, until the first meeting of the General Meeting of the Shareholders, when a decision may be taken on their mandate even if such an item is not on the meeting regular agenda.</p> <p>(4) The Board of Nominees elects from amongst its members a chairman of the Board.</p>	<p>Nominees are made to the advantage of the shareholders.</p> <p>(3) The mandate of the members of the Board of Nominees is of 3 years, period to be extended by right, until the first meeting of the General Meeting of the Shareholders, when a decision may be taken on their mandate even if such an item is not on the meeting regular agenda.</p> <p>(4) The Board of Nominees elects from amongst its members a chairman of the Board.</p>		
<p style="text-align: center;">ARTICLE 16 Functioning</p> <p>(1) The meetings of the Board of Nominees are held at least once every quarter, however they may be called upon whenever needed. The call for the meeting of the Board of Nominees is made by the chairman, any of its members or upon the request of the Fund Manager. The Board of Nominees shall meet in at most 7 days as of the calling.</p> <p>(2) The Chairperson of the Board of Nominees or, during his absence, a member of the Board of Nominees appointed through vote by the other members to chair the meeting, ensures the proper development of the meetings. The meetings of the Board of Nominees shall be held at the HQ of Fondul Proprietatea.</p> <p>(3) The Board of Nominees takes valid decisions provided the absolute majority of its members. The members of the Board of Nominees may be represented at the meetings of the Board of Nominees only by other members of the Board of Nominees and on the basis of a special written empowerment, presented in its original form at the beginning of the meeting. One member of the Board of Nominees may represent only one absent member. The decisions of the Board of Nominees shall be taken with the absolute majority of the votes of its members and are signed by all the members which participated at the meeting. If some of the members of the Board of Nominees have been represented, the empowerment will be annexed to the minute of the meeting.</p> <p>(4) If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision, the chairperson of the Board of Nominees shall give notice for a second meeting of the Board of</p>	<p style="text-align: center;">ARTICLE 16 Functioning</p> <p>(1) The meetings of the Board of Nominees are held at least once every quarter, however they may be called upon whenever needed. The call for the meeting of the Board of Nominees is made by the chairman, any of its members or upon the request of the Fund Manager. The Board of Nominees shall meet in at most 7 days as of the calling.</p> <p>(2) The Chairperson of the Board of Nominees or, during his absence, a member of the Board of Nominees appointed through vote by the other members to chair the meeting, shall ensure the proper development of the meetings. The meetings of the Board of Nominees shall be held at the HQ of Fondul Proprietatea or at such other location as may be agreed among the members of the Board of Nominees.</p> <p>(3) The Board of Nominees takes valid decisions provided the absolute majority of its members. The members of the Board of Nominees may be represented at the meetings of the Board of Nominees only by other members of the Board of Nominees and on the basis of a special written empowerment, presented in its original form at the beginning of the meeting. One member of the Board of Nominees may represent only one absent member. The decisions of the Board of Nominees shall be taken with the absolute majority of the votes of its members and are signed by all the members which participated at the meeting. If some of the members of the Board of Nominees have been represented, the empowerment will be annexed to the minute of the meeting.</p> <p>(4) If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision, the chairperson of the Board of</p>	<p>FSA endorsed this change without comments.</p>	<p>This change is object of EGM Resolution no. 5/2013 and it will be in force after is published in the Official Gazette.</p>

<p>Nominees, having the same agenda as the first, in order to discuss this agenda. If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision for three consecutive times, the chairperson of the Board of Nominees shall ask the Fund Manager to convoke the general meeting of the shareholders in order to properly decide on the respective decisions; in case that Fund Manager does not convoke it, any of the members of the Board of Nominees will have the right to convoke the general meeting.</p> <p>(5) In case of vacancy of the seat of one or more members of the Board of Nominees, the general meeting of the shareholders shall immediately convoke for the appointment of new members. For the period in time by the decision of the general meeting, the other members of the Board of Nominees will nominate members ad interim to fulfil the vacant positions. The decision of the Board of Nominees on nominating members ad interim will be communicated to FM, the auditor and will be filed with the Trade Register.</p>	<p>Nominees shall give notice for a second meeting of the Board of Nominees, having the same agenda as the first, in order to discuss this agenda. If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision for three consecutive times, the chairperson of the Board of Nominees shall ask the Fund Manager to convoke the general meeting of the shareholders in order to properly decide on the respective decisions; in case that Fund Manager does not convoke it, any of the members of the Board of Nominees will have the right to convoke the general meeting.</p> <p>(5) In case of vacancy of the seat of one or more members of the Board of Nominees, the general meeting of the shareholders shall immediately convoke for the appointment of new members. For the period in time by the decision of the general meeting, the other members of the Board of Nominees will nominate members ad interim to fulfil the vacant positions. The decision of the Board of Nominees on nominating members ad interim will be communicated to FM, the auditor and will be filed with the Trade Register.</p>		
<p style="text-align: center;">ARTICLE 17 Attributions of the Board of Nominees</p> <p>The Board of Nominees has the following duties and functions:</p> <p>(1) Following the information received from the Fund Manager with regard to the summoning of the ordinary and/or extraordinary general meeting of the shareholders requests, if it deems necessary, the insertion of supplementary matters in the text of the calling notice of the general meeting of shareholders;</p> <p>(2) Receives from the Fund Manager the information in connection with the answers to the written requests submitted before the date of the general meeting of the shareholders, by the shareholders on topics regarding Fondul Proprietatea's activity;</p> <p>(3) Receives from the Fund Manager the annual financial statements, the annual activity report presented by the Fund Manager and the financial auditors' report, before being made available to the shareholders and analyses them, being able to formulate an opinion to be presented to both the Fund Manager</p>	<p style="text-align: center;">ARTICLE 17 Attributions of the Board of Nominees</p> <p>The Board of Nominees has the following duties and functions:</p> <p>(1) Following the information received from the Fund Manager with regard to the summoning of the ordinary and/or extraordinary general meeting of the shareholders' requests, if it deems necessary, the insertion of supplementary matters in the text of the calling notice of the general meeting of shareholders;</p> <p>(2) Receives from the Fund Manager the information in connection with the answers to the written requests submitted before the date of the general meeting of the shareholders, by the shareholders on topics regarding Fondul Proprietatea's activity;</p> <p>(3) Receives from the Fund Manager the annual financial statements, the annual activity report presented by the Fund Manager and the financial auditors' report, before being made available to the shareholders and analyses them, being able to formulate an opinion to be presented to both the Fund Manager</p>		

<p>and the general meeting; (4) Receives from the Fund Manager for analysis the annual report on the management and the business policy of Fondul Proprietatea and presents an opinion to the Fund Manager and to the general meeting of the shareholders;</p>	<p>and the general meeting; (4) Receives from the Fund Manager for analysis the annual report on the management of Fondul Proprietatea and presents an opinion to the Fund Manager and to the general meeting of the shareholders;</p>	<p>FSA endorsed this change under the condition of rewording it as follows: “(4) Receives from the Fund Manager for analysis the annual report and the management and business policy of Fondul Proprietatea and presents an opinion to the Fund Manager and to the general meeting of the shareholders”</p>	<p>This change is object of EGM Resolution no. 6/2013. Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the Constitutive Act in force – in fact FSA has not endorsed the change approved by shareholders</p>
<p>(5) Receives from the Fund Manager for analysis the yearly income and expenditure budget and business plan before it is submitted to the approval of the general meeting of the shareholders and presents an opinion to the Fund Manager and to the general meeting of the shareholders; (6) Receives from the Fund Manager for analysis the strategy in accordance with Fondul Proprietatea’ s investment policy before it is submitted to the approval of the general meeting of shareholders and presents an opinion to the Fund Manager and to the general meeting of shareholders; (7) Receives from the Fund Manager for analysis and approves the framework for carrying out Fondul Proprietatea’ s operations, as</p>	<p>(5) Receives from the Fund Manager for analysis the yearly income and expenditure budget before it is submitted to the approval of the general meeting of shareholders and presents an opinion to the Fund Manager and to the general meeting of the shareholders; (6) Receives from the Fund Manager for analysis the strategy in accordance with Fondul Proprietatea’ s investment policy before it is submitted to the approval of the general meeting of shareholders and presents an opinion to the Fund Manager and to the general meeting of shareholders; (7) Receives from the Fund Manager for analysis and approves the framework for carrying out Fondul Proprietatea’ s operations, as well as any other regulations of Fondul Proprietatea issued by the</p>	<p>FSA endorsed this change under the condition of rewording it as follows: “(5) Receives from the Fund Manager, for analysis, the yearly income and expenditure budget and the business plan</p>	<p>This change is object of EGM Resolution no. 6/2013. FSA obliges FP to organize a new EGM and to ask the shareholders to vote the</p>

<p>well as any other regulations of Fondul Proprietatea issued by the Fund Manager according to the legal provisions in force, the capital market rules and regulations;</p> <p>(8) Receives from the Fund Manager for analysis the proposal to the ordinary general meeting of shareholders for the conclusion of the financial audit agreement and presents an opinion to the Fund Manager and to the general meeting of the shareholders;</p> <p>(9) Reviews on a regular basis the investment policy of Fondul Proprietatea and presents an opinion to the general meeting of the shareholders as any time it deems necessary, but in any case, at least once a year to the annual ordinary meeting;</p> <p>(10) Receives the report of the internal auditor and presents an opinion to the Fund Manager and to the general meeting of shareholders;</p> <p>(11) Monitors the following, based on information and reports received from the Fund Manager:</p> <ul style="list-style-type: none"> • the list of all portfolio investments and percentage breakdown by each investment type; • a list of major transactions occurring in the Fondul Proprietatea portfolio for the period under review; • the total profit of the portfolio and comparison of profit with the appropriate benchmark; • comparison of return on the portfolio with the portfolio objective; • the extent of compliance with the investment policy statement, any variations and actions taken to correct variations; • the performance evaluation report. <p>all the above with the purpose of drafting and presenting a report regarding the developed monitoring activity any time is required by the shareholders, but in any case at least once a year, to the general meeting of the shareholders;</p> <p>(12) Represents the general meeting of the shareholders in relation to the Fund Manager from the communication point of view between the two corporate bodies, except for the cases expressly regulated by this constitutive act as a direct communication between the general meeting and the Fund Manager;</p>	<p>Fund Manager according to the legal provisions in force, the capital market rules and regulations;</p> <p>(8) Receives from the Fund Manager for analysis the proposal to the ordinary general meeting of shareholders for the conclusion of the financial audit agreement and presents an opinion to the Fund Manager and to the general meeting of the shareholders;</p> <p>(9) Reviews on a regular basis the investment policy of Fondul Proprietatea and presents an opinion to the general meeting of the shareholders as any time it deems necessary, but in any case, at least once a year to the annual ordinary meeting;</p> <p>(10) Receives the report of the internal auditor and presents an opinion to the Fund Manager and to the general meeting of shareholders;</p> <p>(11) Monitors the following, based on information and reports received from the Fund Manager:</p> <ul style="list-style-type: none"> • the list of all portfolio investments and percentage breakdown by each investment type; • a list of major transactions occurring in the Fondul Proprietatea portfolio for the period under review; • the total profit of the portfolio and comparison of profit with the appropriate benchmark; • comparison of return on the portfolio with the portfolio objective; • the extent of compliance with the investment policy statement, any variations and actions taken to correct variations; • the performance evaluation report. <p>The Board of Nominees will draft and present to the general meeting of the shareholders an annual report regarding the monitoring activity performed, or a monitoring report for another period agreed by the general meeting of shareholders (12) Represents the general meeting of the shareholders in relation to the Fund Manager from the communication point of view between the two corporate bodies, except for the cases expressly regulated by this constitutive act as a direct communication between the general meeting and the Fund Manager;</p> <p>(13) Verifies the report of the Fund Manager and the exercise of</p>	<p><i>before it is submitted to the approval of the general meeting of the shareholders and presents an opinion to the Fund Manager and to the general meeting of the shareholders.”</i></p> <p>FSA endorsed this change under the condition of rewording it as follows: <i>“(11) Monitors the following, based on information and reports received from the Fund Manager: - the list of all portfolio investments and percentage breakdown by each investment type; - a list of major transactions occurring in the Fondul Proprietatea portfolio for the period under</i></p>	<p>new text.</p> <p>This change is object of EGM Resolution no. 7/2013. Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the Constitutive Act in force – in fact FSA has not endorsed the change approved by shareholders .</p>
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<p>(13) Verifies the report of the Fund Manager and the exercise of the permanent monitoring over the management of Fondul Proprietatea by the Fund Manager, and verifies if the operations carried on by the Fund Manager are in compliance with the applicable law, the constitutive act and/or with any relevant decision of the general meeting of the shareholders;</p> <p>(14) Under the conditions of art. 13 paragraphs (11) and (14) convokes the general meeting of shareholders;</p> <p>(15) Participates at the general meetings of shareholders and presents in this meeting reports in all cases provided by this constitutive act or with regard to any issue it deems to be relevant for the shareholders;</p> <p>(16) Proposes to the general meeting of shareholders the approval or rejection of any contract/document which may create binding obligations on Fondul Proprietatea (including, without limitation, buying, selling, exchanging, or pledging of the assets of Fondul Proprietatea) whose value exceeds, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables.</p> <p>(17) Recommends to the General Meeting of the Shareholders the termination of the management contract in the event that the Board of Nominees considers this to be in the interest of the shareholders.</p> <p>(18) Makes recommendations to the general meeting of shareholders on any other issues the Board of Nominees considers relevant to the shareholders.</p> <p>(19) Following proposal by the Fund Manager, recommends to the Extraordinary General Meeting of the Shareholders the appointment of the public offer intermediary, as well as on his remuneration , when it becomes necessary that such a company be appointed in relation to the admission to trading of Fondul Proprietatea.</p> <p>(20) Approves the delegation by the Fund Manager of certain activities. The delegation will be in force after the approval of NSC, where required by legislation in force.</p> <p>(21) Is responsible for monitoring the Fund Manager's performance of the Investment Management Agreement.</p>	<p>the permanent monitoring over the management of Fondul Proprietatea by the Fund Manager, and verifies if the operations carried on by the Fund Manager are in compliance with the applicable law, the constitutive act and/or with any relevant decision of the general meeting of the shareholders;</p> <p>(14) Under the conditions of art. 13 paragraphs (11) and (14) convokes the general meeting of shareholders;</p> <p>(15) Participates at the general meetings of shareholders and presents in this meeting reports in all cases provided by this constitutive act or with regard to any issue it deems to be relevant for the shareholders;</p> <p>(16) Proposes to the general meeting of shareholders the approval or rejection of any contract/document which may create binding obligations on Fondul Proprietatea (including, without limitation, buying, selling, exchanging, or pledging of the assets of Fondul Proprietatea) whose value exceeds, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables.</p> <p>(17) Recommends to the General Meeting of the Shareholders the termination of the management contract in the event that the Board of Nominees considers this to be in the interest of the shareholders.</p> <p>(18) Makes recommendations to the general meeting of shareholders on any other issues the Board of Nominees considers relevant to the shareholders.</p> <p>(19) Following proposal by the Fund Manager, recommends to the Extraordinary General Meeting of the Shareholders the appointment of the public offer intermediary, as well as on his remuneration , when it becomes necessary that such a company be appointed in relation to the admission to trading of Fondul Proprietatea.</p> <p>(20) Approves the delegation by the Fund Manager of certain activities. The delegation will be in force after the approval of NSC, where required by legislation in force.</p> <p>(21) Is responsible for monitoring the Fund Manager's performance of the Investment Management Agreement.</p>	<p><i>review;</i> <i>- the total profit of the portfolio and comparison of profit with the appropriate benchmark;</i> <i>- comparison of return on the portfolio with the portfolio objective;</i> <i>- the extent of compliance with the investment policy statement, any variations and actions taken to correct variations;</i> <i>- the performance evaluation report. all the above with the purpose of drafting and presenting, any time is requested by the shareholders, but in any case at least once a year, to the general meeting of the shareholders, a report regarding the monitoring activity performed."</i></p>
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<p style="text-align: center;">ARTICLE 18</p> <p style="text-align: center;">The obligations of the members of the Board of Nominees</p> <p>(1) The members of the Board of Nominees have diligence and loyalty duties towards the shareholders of Fondul Proprietatea.</p> <p>(2) The members of the Board of Nominees are held liable towards the general meeting of the shareholders of Fondul Proprietatea, in accordance with the mandate rules. The decisions of the members of the Board of Nominees will be taken after due enquiries into the relevant circumstances existing at the specific moment at which such decisions are taken.</p> <p>(3) The members of the Board of Nominees cannot disclose the confidential information and the commercial secrets of Fondul Proprietatea, to which those persons have access. Such obligation remains in force after the termination of the mandate.</p> <p>(4) If a member of the Board of Nominees has, directly or indirectly, adverse interest to the interest of Fondul Proprietatea, in a certain operation, that member must give notice of such situation to the other members and to the internal auditors and not take part in any deliberation regarding that operation.</p> <p>(5) The same obligation must be observed by the member of the Board of Nominees, who acknowledges that in a certain operation, his/her wife or husband, relative or related persons by the 4th grade inclusive are interested.</p> <p>(6) The prohibitions stipulated in paragraphs (4) and (5) regarding the participation, deliberation and voting of the members of the Board of Nominees, are not applicable if the vote refers to:</p> <p>a) the offer of shares or obligations of Fondul Proprietatea for subscription, to a member of the Board of Nominees or to the persons mentioned in paragraph (5);</p> <p>b) the granting by a member of the Board of Nominees or by the persons mentioned in paragraph (5) of a loan or establishing a guarantee in favour of Fondul Proprietatea.</p> <p>(7) A member of the Board of Nominees who does not observe the provisions of paragraphs (4) and (5) shall be held liable for the damages caused to Fondul Proprietatea.</p> <p>(8) It is forbidden for Fondul Proprietatea to provide credit to the members of the Board of Nominees, through operations such as:</p>	<p style="text-align: center;">ARTICLE 18</p> <p style="text-align: center;">The obligations of the members of the Board of Nominees</p> <p>(1) The members of the Board of Nominees have diligence and loyalty duties towards the shareholders of Fondul Proprietatea.</p> <p>(2) The members of the Board of Nominees are held liable towards the general meeting of the shareholders of Fondul Proprietatea, in accordance with the mandate rules. The decisions of the members of the Board of Nominees will be taken after due enquiries into the relevant circumstances existing at the specific moment at which such decisions are taken.</p> <p>(3) The members of the Board of Nominees cannot disclose the confidential information and the commercial secrets of Fondul Proprietatea, to which those persons have access. Such obligation remains in force after the termination of the mandate.</p> <p>(4) If a member of the Board of Nominees has, directly or indirectly, adverse interest to the interest of Fondul Proprietatea, in a certain operation, that member must give notice of such situation to the other members and to the internal auditors and not take part in any deliberation regarding that operation.</p> <p>(5) The same obligation must be observed by the member of the Board of Nominees, who acknowledges that in a certain operation, his/her wife or husband, relative or related persons by the 4th grade inclusive are interested.</p> <p>(6) The prohibitions stipulated in paragraphs (4) and (5) regarding the participation, deliberation and voting of the members of the Board of Nominees, are not applicable if the vote refers to:</p> <p>a) the offer of shares or obligations of Fondul Proprietatea for subscription, to a member of the Board of Nominees or to the persons mentioned in paragraph (5);</p> <p>b) the granting by a member of the Board of Nominees or by the persons mentioned in paragraph (5) of a loan or establishing a guarantee in favour of Fondul Proprietatea.</p> <p>(7) A member of the Board of Nominees who does not observe the provisions of paragraphs (4) and (5) shall be held liable for the damages caused to Fondul Proprietatea.</p> <p>(8) It is forbidden for Fondul Proprietatea to provide credit to the members of the Board of Nominees, through operations such as:</p>	<p>Without changes</p>	
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<p>a) granting loans;</p> <p>b) granting financial facilities for or after the conclusion by Fondul Proprietatea with the members of delivery operations of goods, providing of services or performance of works;</p> <p>c) direct or indirect guarantee, in whole or in part, of any loans granted to the member of the Board of Nominees, concomitant or after granting the loan;</p> <p>d) direct or indirect guarantee, in whole or in part, of performance by the members of any other personal obligation of those towards third parties;</p> <p>e) direct or indirect guarantee, in whole or in part, of any receivables having as object a loan granted by a third party to the members of the Board of Nominees or other personal service of those members.</p> <p>(9) The provisions of paragraph (8) are applicable and the operations in which the husband or wife, relatives or related persons by the 4th grade inclusive of the members of the Board of Nominees are interested; also, if the operation concerning a civil or a commercial company at which one of the persons above mentioned is director or holds, solely or together with one of the persons above mentioned, a quota of at least 20% of the value of the subscribed share capital.</p> <p>(10) The provisions of paragraph (8) are not applicable for the case when the operation is concluded by Fondul Proprietatea during its normal business, and the clauses of the operations are not more favourable to the persons specified in paragraphs (8) and (9) than the ones usually practiced by Fondul Proprietatea towards third parties</p> <p>(11) The Board of Nominees shall promptly decide on all requests for approval from the Fund Manager within a reasonable time frame to allow the Fund Manager to comply with its own obligations.</p>	<p>a) granting loans;</p> <p>b) granting financial facilities for or after the conclusion by Fondul Proprietatea with the members of delivery operations of goods, providing of services or performance of works;</p> <p>c) direct or indirect guarantee, in whole or in part, of any loans granted to the member of the Board of Nominees, concomitant or after granting the loan;</p> <p>d) direct or indirect guarantee, in whole or in part, of performance by the members of any other personal obligation of those towards third parties;</p> <p>e) direct or indirect guarantee, in whole or in part, of any receivables having as object a loan granted by a third party to the members of the Board of Nominees or other personal service of those members.</p> <p>(9) The provisions of paragraph (8) are applicable and the operations in which the husband or wife, relatives or related persons by the 4th grade inclusive of the members of the Board of Nominees are interested; also, if the operation concerning a civil or a commercial company at which one of the persons above mentioned is director or holds, solely or together with one of the persons above mentioned, a quota of at least 20% of the value of the subscribed share capital.</p> <p>(10) The provisions of paragraph (8) are not applicable for the case when the operation is concluded by Fondul Proprietatea during its normal business, and the clauses of the operations are not more favourable to the persons specified in paragraphs (8) and (9) than the ones usually practiced by Fondul Proprietatea towards third parties</p> <p>(11) The Board of Nominees shall promptly decide on all requests for approval from the Fund Manager within a reasonable time frame to allow the Fund Manager to comply with its own obligations.</p>		
<p style="text-align: center;">CHAPTER VI</p> <p style="text-align: center;">Provisions regarding the company's management</p> <p style="text-align: center;">ARTICLE 19</p>	<p style="text-align: center;">CHAPTER VI</p> <p style="text-align: center;">Provisions regarding the company's management</p> <p style="text-align: center;">ARTICLE 19</p>		

<p>Organisation</p> <p>(1) Fondul Proprietatea is managed by Franklin Templeton Investment Management Limited through its Romanian branch, with headquarters in Bucharest, 78-80 Buzesti street, floors 7-8, sector 1, fiscal registration no. 25851096, registration number at Trade Registry J40/8587/2009, legally represented by Grzegorz Maciej Konieczny, Polish citizen, [REDACTED]</p> <p>[REDACTED]</p> <p>and by Adrian Cighi, Romanian citizen, with home address in Bucuresti, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] and by Oana - Valentina Truța, Romanian citizen, domiciled in Cluj-Napoca, [REDACTED]</p> <p>[REDACTED], under the Investment Management Agreement signed on 25 February 2010, which holds the position of sole director, as well as of asset management company referred to throughout this document as the Fund Manager.</p> <p>(2) The Fund Manager is elected by the general meeting of the shareholders, with the observance of the legal provisions and of this constitutive act.</p> <p>(3) The mandate of the Fund Manager is of 4 years and is renewed automatically, if there is no adverse decision of the general meeting of the shareholders, entitled to decide on the termination of the mandate even before its regular lifespan. The Fund Manager will call the Ordinary General Meeting of Shareholders with at least 3 months before of the termination of the Investment Management Agreement having on the agenda the extension of the mandate or the appointing of a new Fund Manager. The Fund Manager will organize the Ordinary General Meeting of Shareholders before the termination of Investment Management Agreement.</p> <p>(4) The legal entity appointed as Fund Manager of Fondul Proprietatea must expressly accept such position, by executing the management agreement and must have in place professional</p>	<p>Organisation</p> <p>(1) Fondul Proprietatea is managed by Franklin Templeton Investment Management Limited through its Romanian branch, with headquarters in Bucharest, 78-80 Buzesti street, floors 7-8, sector 1, fiscal registration no. 25851096, registration number at Trade Registry J40/8587/2009, legally represented by Grzegorz Maciej Konieczny, Polish citizen, [REDACTED]</p> <p>[REDACTED]</p> <p>and by Adrian Cighi, Romanian citizen, with home address in Bucuresti, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] and by Oana - Valentina Truța, Romanian citizen, domiciled in Cluj-Napoca, [REDACTED]</p> <p>[REDACTED], under the Investment Management Agreement signed on 25 February 2010, which holds the position of sole director, as well as of asset management company referred to throughout this document as the Fund Manager.</p> <p>(2) The Fund Manager is elected by the general meeting of the shareholders, with the observance of the legal provisions and of this constitutive act.</p> <p>(3) The mandate of the Fund Manager is of 4 years. The Fund Manager will call the Ordinary General Meeting of Shareholders with at least 3 months before of the termination of the duration of the mandate of the Fund Manager with the agenda of approving the extension of the mandate or the initiation of the tender organized by the Board of Nominees. If a decision was made to initiate a tender, following communication by the Board of Nominees of the results of such tender, the Fund Manager will immediately call an Ordinary General Meeting of Shareholders with the agenda of appointing the selected candidate as Fund Manager and authorizing negotiation and execution of the relevant fund management agreement and fulfilment of all relevant formalities for the authorization and legal completion of such appointment.</p>	<p>FSA endorsed this change under the condition of rewording it as follows:</p> <p>“(3) The mandate of the Fund Manager is of 4 years. The Fund Manager will call the Ordinary General Meeting of the</p>	<p>This change is object of EGM Resolution no. 13/2013. FSA obliges FP to organize a new EGM and to ask the shareholders to vote the</p>
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<p>liability insurance.</p> <p>(5) The Investment Management Agreement can be modified or replaced in accordance with article 12 and 14, with the approval of the shareholders. Any replacement document or addendum of the Investment Management Agreement will be signed on behalf of Fondul Proprietatea by the chairman of the Board of Nominees or by a member of the Board of Nominees empowered by the chairman.</p>	<p>(4) The legal entity appointed as Fund Manager of Fondul Proprietatea must expressly accept such position, by executing the management agreement and must have in place professional liability insurance.</p> <p>(5) The Investment Management Agreement can be modified or replaced in accordance with article 12 and 14, with the approval of the shareholders. Any replacement document or addendum of the Investment Management Agreement will be signed on behalf of Fondul Proprietatea by the chairman of the Board of Nominees or by a member of the Board of Nominees empowered by the chairman.</p>	<p><i>Shareholders with at least 6 months before of the termination of the duration of the mandate of the Fund Manager with the agenda of approving the extension of the Fund Manager's mandate or the appointing of a new Fund Manager. The Fund Manager will immediately call an Ordinary General Meeting of the Shareholders with the agenda of appointing the selected candidate as Fund Manager and authorizing negotiation and execution of the relevant fund management agreement and fulfilment of all relevant formalities for the authorization and legal completion of such</i></p>	<p>new text.</p>
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		<i>appointment”</i>	
<p>ARTICLE 20 Functioning</p> <p>The Fund Manager shall appoint a natural person as its permanent representative. The Fund Manager can make changes of its permanent representatives (that are the legal representatives and managers of the Fund Manager), with the prior authorisation of NSC. All changes will be registered at the Trade Register.</p>	<p>ARTICLE 20 Functioning</p> <p>The Fund Manager shall appoint a natural person as its permanent representative. The Fund Manager can make changes of its permanent representatives (that are the legal representatives and managers of the Fund Manager), with the prior authorisation of NSC. All changes will be registered at the Trade Register.</p>	Without changes	
<p>ARTICLE 21 Attributions of the Fund Manager</p> <p>(1) The management of Fondul Proprietatea is ensured by the Fund Manager, which fulfils the necessary and useful operations for the fulfilment of the company’s business object, except of the operations reserved by the law for the general meeting of the shareholders and has all the obligations attributed to it by the applicable law.</p> <p>(2) The Fund Manager exercises its attributions under the control of the general meeting of the shareholders and the monitoring of the Board of Nominees.</p> <p>(3) In excess of the duties provided by the applicable law, the Fund Manager shall be liable to:</p> <p>i) establish a reference date for shareholders entitled to vote within the general meeting, under the law, and draft the text of the announcement on the convocation of the general meeting, after obtaining the prior approval of the Board of Nominees and after it adds to the agenda the matters requested by the Board of Nominees;</p> <p>ii) upon the written request of any shareholder submitted before the date of the general meeting of the shareholders, to give responses after obtaining the prior approval of the Board of Nominees, regarding the aspects concerning the business of Fondul Proprietatea;</p> <p>iii) ensure that, if requested by any of the shareholders, a copy of</p>	<p>ARTICLE 21 Attributions of the Fund Manager</p> <p>(1) The management of Fondul Proprietatea is ensured by the Fund Manager, which fulfils the necessary and useful operations for the fulfilment of the company’s business object, except of the operations reserved by the law for the general meeting of the shareholders, and has all the obligations attributed to it by the applicable law.</p> <p>(2) The Fund Manager exercises its attributions under the control of the general meeting of the shareholders and the monitoring of the Board of Nominees.</p> <p>(3) In excess of the duties provided by the applicable law, the Fund Manager shall be liable to:</p> <p>i) establish a reference date for shareholders entitled to vote within the general meeting, under the law, and draft the text of the announcement on the convocation of the general meeting, after obtaining the prior approval of the Board of Nominees and after it adds to the agenda the matters requested by the Board of Nominees;</p> <p>ii) upon the written request of any shareholder submitted before the date of the general meeting of the shareholders, to give responses after obtaining the prior approval of the Board of Nominees, regarding the aspects concerning the business of Fondul Proprietatea;</p> <p>iii) ensure that, if requested by any of the shareholders, a copy of</p>		

<p>or extract of the minutes of the general meeting shall be given to them and also, after the announcement of the ordinary annual general meeting of the shareholders is published, make available to the shareholders the financial statements of the company and the reports of the Fund Manager and of the company's financial auditors,</p> <p>iv) prepare the annual financial statements, draft the annual activity report, examine the financial auditors' report, present them to the Board of Nominees before submitting such documents to the general meeting of the shareholders and make proposals on the distribution of the profit to the general meeting of the shareholders, after obtaining the prior approval of the Board of Nominees;</p> <p>v) manages the relationship with the Central Depository with regard to its shareholders register functions,</p> <p>vi) prepare an annual report on the management and the business policy of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;</p> <p>vii) proposes for the prior approval of the Board of Nominees and further, of the general meeting of the shareholders, of the yearly income and expenditure budget and business plan;</p> <p>viii) propose for the prior approval of the Board of Nominees and further, of the general meeting of the shareholders of Fondul Proprietatea, the general strategy in accordance with the investment policy of Fondul Proprietatea; it is responsible for the implementation of the investment policy and for achieving a proper balance between the profits and the risks related to the Fondul Proprietatea portfolio; it has to inform periodically the Board of Nominees on any significant changes in the activities of Fondul Proprietatea and within the structure of its portfolio</p> <p>ix) approve the outsourcing of certain activities, within the limits of the approved budget; respectively delegating the execution of certain activities,. with the prior endorsement of the NSC, where required by applicable legislation,</p> <p>x) based on the proposal of the Board of Nominees to submit to the approval of the extraordinary general meeting of the shareholders any agreement / document which may create binding obligations to Fondul Proprietatea,, including but not limited to the purchase, sale, conversion or encumbrance of the assets of Fondul Proprietatea whose value exceeds, either individually or</p>	<p>or extract of the minutes of the general meeting shall be given to them and also, after the announcement of the ordinary annual general meeting of the shareholders is published, make available to the shareholders the financial statements of the company and the reports of the Fund Manager and of the company's financial auditors,</p> <p>iv) prepare the annual financial statements, draft the annual activity report, examine the financial auditors' report, present them to the Board of Nominees before submitting such documents to the general meeting of the shareholders and make proposals on the distribution of the profit to the general meeting of the shareholders, after obtaining the prior approval of the Board of Nominees;</p> <p>v) manages the relationship with the Central Depository with regard to its shareholders' register functions,</p> <p>vi) prepare an annual report on the management of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;</p> <p>vii) propose, for the prior approval of the Board of Nominees and, further, of the general meeting of the shareholders, the budget of the yearly income and expenditure;</p> <p>viii) propose for the prior approval of the Board of Nominees and, further, of the general meeting of the shareholders of Fondul Proprietatea, the general strategy in accordance with the investment policy of Fondul Proprietatea; it is responsible for the implementation of the investment policy and for achieving a proper balance between the profits and the risks related to the Fondul Proprietatea portfolio; it has to inform periodically the Board of Nominees on any significant changes in the activities of Fondul Proprietatea and within the structure of its portfolio;</p> <p>ix) approve the outsourcing of certain activities, within the limits of the approved budget; respectively delegating the execution of certain activities,. with the prior endorsement of the NSC, where required by applicable legislation,</p> <p>x) based on the proposal of the Board of Nominees, submit to the approval of the extraordinary general meeting of the shareholders any agreement / document which may create binding obligations to Fondul Proprietatea,, including but not limited to the purchase, sale, conversion or encumbrance of the assets of Fondul Proprietatea whose value exceeds, either individually or</p>	<p>FSA endorsed a change that was not asked by Fondul Proprietatea and obliges Fondul Proprietatea to have on the agenda of the next EGM the change of this text as follows: <i>“(vii) proposes for the prior approval of the Board of Nominees and further, of the general meeting of the shareholders, of the yearly</i></p>	<p>Even Fondul Proprietatea has not asked FSA any opinion or endorsement on this article, FSA obliges Fondul Proprietatea to have on the agenda of the next EGM the change of this text.</p>
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<p>cumulatively during a financial year, 20% of the non-current assets, less any receivables;</p> <p>xi) to enter into any agreement / document which may create binding obligations to Fondul Proprietatea, (the purchase, sale, conversion or encumbrance of the assets of Fondul Proprietatea) whose value does not exceed, either individually or cumulated, during a financial year, 20% of the non-current assets, less any receivables, without the approval of the ordinary or extraordinary general shareholders meeting;</p> <p>xii) propose to the ordinary general meeting of the shareholders the conclusion of the financial audit agreement according to the legal provisions in force, upon obtaining the prior approval of the Board of Nominees, as well as approve the procedure of internal audit and the audit plan;</p> <p>xiii) decide the relocation of the registered office, provided that the registered office shall at all times be registered in Romania;</p> <p>xiv) make available to the Board of Nominees the reports, as well as other necessary documents for exercising the monitoring duties, in accordance with art. 17 paragraph (11);</p> <p>xv) inform at once the Board of Nominees of any litigation or infringement of legislation regarding Fund Manager, any operation which might be an infringement to the investment policy and about the plans/ correction measures for approaching these matters.</p> <p>xvi) convoke the general meeting which shall decide properly whenever an issue appears on which the Board of Nominees has a disagreement with the Fund Manager, which cannot be resolved amiably.</p> <p>xvii) propose to the Board of Nominees the recommendation for approval by the extraordinary general meeting of the shareholders of the appointment of the investment firm/investment bank who shall manage a public offer, as well as on its remuneration, when it will become necessary that such a company be appointed related to the admission to trading of Fondul Proprietatea.</p>	<p>cumulatively during a financial year, 20% of the non-current assets, less any receivables;</p> <p>xi) enter into any agreement / document which may create binding obligations to Fondul Proprietatea, (the purchase, sale, conversion or encumbrance of the assets of Fondul Proprietatea) whose value does not exceed, either individually or cumulated, during a financial year, 20% of the non-current assets, less any receivables, without the approval of the ordinary or extraordinary general shareholders meeting;</p> <p>xii) propose to the ordinary general meeting of the shareholders the conclusion of the financial audit agreement according to the legal provisions in force, upon obtaining the prior approval of the Board of Nominees, as well as approve the procedure of internal audit and the audit plan;</p> <p>xiii) decide the relocation of the registered office, provided that the registered office shall at all times be registered in Romania;</p> <p>xiv) make available to the Board of Nominees the reports, as well as other necessary documents for exercising the monitoring duties, in accordance with art. 17 paragraph (11);</p> <p>xv) inform at once the Board of Nominees of any litigation or infringement of legislation regarding Fund Manager, any operation which might be an infringement to the investment policy and about the plans/ correction measures for approaching these matters.</p> <p>xvi) convoke the general meeting which shall decide properly whenever an issue appears on which the Board of Nominees has a disagreement with the Fund Manager, which cannot be resolved amiably.</p> <p>xvii) propose to the Board of Nominees the recommendation for approval by the extraordinary general meeting of the shareholders of the appointment of the investment firm/investment bank who shall manage a public offer, as well as on its remuneration, when it will become necessary that such a company be appointed related to the admission to trading of Fondul Proprietatea.</p>	<p>income and expenditure budget and business plan"</p>	
<p>ARTICLE 22</p> <p>The obligations of the Fund Manager</p> <p>(1) The Fund Manager has a diligence and loyalty duty towards</p>	<p>ARTICLE 22</p> <p>The obligations of the Fund Manager</p> <p>(1) The Fund Manager has a diligence and loyalty duty towards</p>	<p>Without changes.</p>	

<p>Fondul Proprietatea. Such duty is exercised taking into consideration the interest of the shareholders generally, and not of some of them.</p> <p>(2) The Fund Manager is held liable towards Fondul Proprietatea, according to the law. The decisions of the Fund Manager are taken after due enquiries regarding the relevant circumstances existing at the moment at which those decisions are taken.</p> <p>(3) The Fund Manager cannot disclose confidential information or commercial secrets of Fondul Proprietatea, to which it has access. Such obligation remains also after the termination of the mandate.</p> <p>(4) If the Fund Manager, respectively its permanent representative and its employees, have in a certain operation, directly or indirectly, adverse interest to the interest of Fondul Proprietatea, the Fund Manager must give notice of this issue to the internal auditors and the Board of Nominees and not take part in any deliberation concerning the specific situation.</p> <p>(5) The same obligation must be observed by the Fund Manager, respectively by its permanent representative and its employees if, in a certain operation, it is aware that an Affiliate of the Fund Manager or the wife or husband, relatives or related persons by the 4th grade inclusive of the representative and its employees, are interested.</p> <p style="text-align: center;">ARTICLE 23 Representation of Fondul Proprietatea</p> <p>(1) In relations with third parties, Fondul Proprietatea is represented by the Fund Manager, respectively by its permanent representative.</p> <p>(2) The Fund Manager may delegate the representative powers, in accordance with the applicable law and CNVM regulations.</p> <p style="text-align: center;">CHAPTER VII The audit of Fondul Proprietatea</p> <p style="text-align: center;">ARTICLE 24 The internal auditors and the financial audit</p>	<p>Fondul Proprietatea. Such duty is exercised taking into consideration the interest of the shareholders generally, and not of some of them.</p> <p>(2) The Fund Manager is held liable towards Fondul Proprietatea, according to the law. The decisions of the Fund Manager are taken after due enquiries regarding the relevant circumstances existing at the moment at which those decisions are taken.</p> <p>(3) The Fund Manager cannot disclose confidential information or commercial secrets of Fondul Proprietatea, to which it has access. Such obligation remains also after the termination of the mandate.</p> <p>(4) If the Fund Manager, respectively its permanent representative and its employees, have in a certain operation, directly or indirectly, adverse interest to the interest of Fondul Proprietatea, the Fund Manager must give notice of this issue to the internal auditors and the Board of Nominees and not take part in any deliberation concerning the specific situation.</p> <p>(5) The same obligation must be observed by the Fund Manager, respectively by its permanent representative and its employees if, in a certain operation, it is aware that an Affiliate of the Fund Manager or the wife or husband, relatives or related persons by the 4th grade inclusive of the representative and its employees, are interested.</p> <p style="text-align: center;">ARTICLE 23 Representation of Fondul Proprietatea</p> <p>(1) In relations with third parties, Fondul Proprietatea is represented by the Fund Manager, respectively by its permanent representative.</p> <p>(2) The Fund Manager may delegate the representative powers, in accordance with the applicable law and CNVM regulations.</p> <p style="text-align: center;">CHAPTER VII The audit of Fondul Proprietatea</p> <p style="text-align: center;">ARTICLE 24 The internal auditors and the financial audit</p>		
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(1) The financial statements of Fondul Proprietatea are subject to financial audit. Also, Fondul Proprietatea shall organise its internal audit in accordance with the legal provisions in force.

(2) An internal audit department shall be organised within Fondul Proprietatea, having attributions of objective examinations of the company's aggregate business, for the purpose of providing an independent evaluation of the risk management, control and leading development of the company. Fund Manager can decide that internal audit work can be outsourced, in which case it will run on a contractual basis, according to article 3 of Decision of Romanian Chamber of Auditors no. 88/2007, with subsequent amendments.

(3) The internal audit is independent of the management of Fondul Proprietatea, and the internal auditors shall objectively exercise this activity.

(4) The internal audit shall evaluate and shall propose the improvement of the risk management, the control and internal rules within Fondul Proprietatea.

(5) The internal auditors shall not be subject to any interference in determining the purpose of the internal audit and in exercising their activity.

(6) The internal auditors shall have an impartial, correct attitude and shall avoid conflicts of interest.

(7) The internal audit shall transmit the plans of the internal audit activity and the necessary resources, inclusive the significant interim changes, to the Board of Nominees for information, as well as to Fund Manager for approval within the limits of its competencies.

(8) The internal audit shall establish the policies and procedures for exercising the internal audit activity within Fondul Proprietatea, comprising amongst others, the analysis of the decisions taken by the company's management and the control of their compliance with the statutory requirements and/or with other documents approved by the general meeting of the shareholders.

(9) The internal audit shall coordinate its activity with the financial auditor, in order to ensure the proper fulfilment of the audit objectives and to minimize any duplication of attributions.

(10) The internal audit shall give quarterly reports to the Board of Nominees of Fondul Proprietatea and Fund Manager regarding the purpose of the internal audit activity, authority, responsibility and

(1) The financial statements of Fondul Proprietatea are subject to financial audit. Also, Fondul Proprietatea shall organise its internal audit in accordance with the legal provisions in force.

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<p>performance according to its plan. The reports shall include also the significant risks and aspects of the control and management, as well as other necessary problems or as requested by the Board of Nominees and the Fund Manager.</p> <p>(11) The internal audit shall verify if the management of Fondul Proprietatea has taken appropriate measures concerning the reported significant risks or if the Fund Manager has accepted the risk of not taking any measure and shall inform the Board of Nominees and the general meeting of the shareholders if the Fund Manager has accepted the reported significant risks.</p> <p>(12) The internal audit shall establish the procedures for monitoring the implementation of the measures taken by the management of Fondul Proprietatea.</p> <p>(13) The internal auditors shall notify the Board of Nominees and the Fund Managers with respect to any flaws in the management or breaches of the legal provisions or of the constitutive act, where such are identified by the internal auditors; the significant cases shall be notified to the general meeting of the shareholders.</p> <p>(14) The internal auditors shall take into consideration the complaints of the shareholders when drafting the reports addressed to the general meeting of the shareholders.</p> <p>(15) The attributions, duties and the working methods of the internal auditors, as well as their rights and obligations are completed with the legal provisions in this area.</p>	<p>performance according to its plan. The reports shall include also the significant risks and aspects of the control and management, as well as other necessary problems or as requested by the Board of Nominees and the Fund Manager.</p> <p>(11) The internal audit shall verify if the management of Fondul Proprietatea has taken appropriate measures concerning the reported significant risks or if the Fund Manager has accepted the risk of not taking any measure and shall inform the Board of Nominees and the general meeting of the shareholders if the Fund Manager has accepted the reported significant risks.</p> <p>(12) The internal audit shall establish the procedures for monitoring the implementation of the measures taken by the management of Fondul Proprietatea.</p> <p>(13) The internal auditors shall notify the Board of Nominees and the Fund Managers with respect to any flaws in the management or breaches of the legal provisions or of the constitutive act, where such are identified by the internal auditors; the significant cases shall be notified to the general meeting of the shareholders.</p> <p>(14) The internal auditors shall take into consideration the complaints of the shareholders when drafting the reports addressed to the general meeting of the shareholders.</p> <p>(15) The attributions, duties and the working methods of the internal auditors, as well as their rights and obligations, are completed with the legal provisions in this area.</p>		
<p style="text-align: center;">ARTICLE 25 Financing its own business</p> <p>For the fulfilment of the business object and in accordance with the attributions established, Fondul Proprietatea uses the financial resources established pursuant to the law, banking credits and other financial resources. Fondul Proprietatea is not allowed to conclude loan agreements for investment reasons.</p>	<p style="text-align: center;">ARTICLE 25 Financing its own business</p> <p>For the fulfilment of the business object and in accordance with the attributions established, Fondul Proprietatea uses the financial resources established pursuant to the law, banking credits and other financial resources. Fondul Proprietatea is not allowed to conclude loan agreements for investment reasons.</p>	Without changes.	
<p style="text-align: center;">ARTICLE 26</p>	<p style="text-align: center;">ARTICLE 26</p>	Without changes.	

<p>Financial year</p> <p>The financial year begins on 1st of January and terminates on 31st December of each year.</p> <p>ARTICLE 27 Accounting evidence and annual financial statements</p> <p>(1) The accounting records are kept in the Romanian language and in the national currency. (2) Fondul Proprietatea must draft the annual financial statements according to the legal provisions in force.</p> <p>ARTICLE 28 Calculation and distribution of the profit</p> <p>(1) The result of the financial year is determined at the end of the year and represents the final balance of the profit and loss account. (2) The profit of Fondul Proprietatea after the payment of the profit tax shall be distributed according to the decision of the general meeting of the shareholders and to the legal provisions in force. (3) Fondul Proprietatea creates legal reserves and other reserves, pursuant to the law. (4) The payment of dividends owed to the shareholders is made by Fondul Proprietatea, according to the law. (5) The dividends are distributed between the shareholders proportionately to the number of shares held. (6) In the case of recording a loss to the net assets, the general meeting of the shareholders shall analyse the causes and decide properly, according to the law.</p> <p>ARTICLE 29 Registries</p> <p>Fondul Proprietatea shall maintain, by care of the Fund Manager and internal auditors, all registries provided by the law. The shareholders registry is kept by the Central Depository.</p>	<p>Financial year</p> <p>The financial year begins on 1st of January and terminates on 31st December of each year.</p> <p>ARTICLE 27 Accounting evidence and annual financial statements</p> <p>(1) The accounting records are kept in the Romanian language and in the national currency. (2) Fondul Proprietatea must draft the annual financial statements according to the legal provisions in force.</p> <p>ARTICLE 28 Calculation and distribution of the profit</p> <p>(1) The result of the financial year is determined at the end of the year and represents the final balance of the profit and loss account. (2) The profit of Fondul Proprietatea after the payment of the profit tax shall be distributed according to the decision of the general meeting of the shareholders and to the legal provisions in force. (3) Fondul Proprietatea creates legal reserves and other reserves, pursuant to the law. (4) The payment of dividends owed to the shareholders is made by Fondul Proprietatea, according to the law. (5) The dividends are distributed between the shareholders proportionately to the number of shares held. (6) In the case of recording a loss to the net assets, the general meeting of the shareholders shall analyse the causes and decide properly, according to the law.</p> <p>ARTICLE 29 Registries</p> <p>Fondul Proprietatea shall maintain, by care of the Fund Manager and internal auditors, all registries provided by the law. The shareholders registry is kept by the Central Depository.</p>		
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<p style="text-align: center;">CHAPTER IX</p> <p style="text-align: center;">Association, change of the legal form, dissolution and liquidation, litigation</p> <p style="text-align: center;">ARTICLE 30</p> <p style="text-align: center;">Association</p> <p>(1) Fondul Proprietatea may set-up, solely or together with other Romanian or foreign natural persons or legal entities, other companies or legal entities, according to the law and to this constitutive act.</p> <p>(2) The conditions for the participation of Fondul Proprietatea at the setting-up of new legal entities shall be regulated by the constitutive acts, which to be approved by the general meeting of the shareholders.</p> <p style="text-align: center;">ARTICLE 31</p> <p style="text-align: center;">Dissolution</p> <p>(1) The dissolution of Fondul Proprietatea shall take place in the following cases:</p> <ul style="list-style-type: none"> a) impossibility of performing the company's business object; b) declaring the company's nullity; c) by decision of the extraordinary general meeting of the shareholders, in accordance with article 14 paragraphs (4) and (5); d) as a consequence of losses, if the net asset value, determined as the difference between the total asset and the company's debts, represents less than half of the value of the subscribed share capital and if, not later than the termination of the financial year subsequent to the one during which the losses have been ascertained, the general meeting of the shareholders fails to decrease the share capital with an amount at least equal with the amount of losses which could not be covered from 	<p style="text-align: center;">CHAPTER IX</p> <p style="text-align: center;">Association, change of the legal form, dissolution and liquidation, litigation</p> <p style="text-align: center;">ARTICLE 30</p> <p style="text-align: center;">Association</p> <p>(1) Fondul Proprietatea may set-up, solely or together with other Romanian or foreign natural persons or legal entities, other companies or legal entities, according to the law and to this constitutive act.</p> <p>(2) The conditions for the participation of Fondul Proprietatea at the setting-up of new legal entities shall be regulated by the constitutive acts, which to be approved by the general meeting of the shareholders.</p> <p style="text-align: center;">ARTICLE 31</p> <p style="text-align: center;">Dissolution</p> <p>(1) The dissolution of Fondul Proprietatea shall take place in the following cases:</p> <ul style="list-style-type: none"> a) impossibility of performing the company's business object; b) declaring the company's nullity; c) by decision of the extraordinary general meeting of the shareholders, in accordance with article 14 paragraphs (4) and (5); d) as a consequence of losses, if the net asset value, determined as the difference between the total asset and the company's debts, represents less than half of the value of the subscribed share capital and if, not later than the termination of the financial year subsequent to the one during which the losses have been ascertained, the general meeting of the shareholders fails to decrease the share capital with an amount at least equal with the amount of losses which could not be covered from 		
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<p>reserves or to reconstitute the company's net asset value up to the value at least equal with half of the subscribed share capital;</p> <p>e) opening of the bankruptcy procedure;</p> <p>f) the number of shareholders reduces under the legal minimum;</p> <p>g) other causes provided by the law or by this constitutive act.</p> <p>(2) The dissolution of Fondul Proprietatea cannot take place before the finalisation of the procedures for granting indemnities to the rightful persons.</p> <p>(3) The dissolution decision of Fondul Proprietatea must be registered with the commercial registry and published in the Official Gazette of Romania, Part IV.</p> <p style="text-align: center;">ARTICLE 32 Liquidation</p> <p>(1) The dissolution of Fondul Proprietatea has as consequence the opening of the liquidation procedure.</p> <p>(2) The liquidation of Fondul Proprietatea and distribution of the non-current assets are made in accordance with the law.</p> <p style="text-align: center;">ARTICLE 33 Calculation method of the net asset value</p> <p>The calculation method of the net asset value is made according to the legal provisions in force.</p> <p style="text-align: center;">ARTICLE 34 Prudential rules concerning the investment policy</p> <p>(1) The investment policy is established by the Fund Manager, with the observance of the investment limitation provided by the legal provisions in force and of this Constitutive Act.</p> <p>(2) Fondul Proprietatea shall be subject to the investment restrictions provided under Law No. 247/2005 on property and justice reform, and additional measures, as further amended and completed, of Law No. 297/2004 on the capital market, as further amended and completed as well as any other applicable law or</p>	<p>reserves or to reconstitute the company's net asset value up to the value at least equal with half of the subscribed share capital;</p> <p>e) opening of the bankruptcy procedure;</p> <p>f) the number of shareholders reduces under the legal minimum;</p> <p>g) other causes provided by the law or by this constitutive act.</p> <p>(2) The dissolution of Fondul Proprietatea cannot take place before the finalisation of the procedures for granting indemnities to the rightful persons.</p> <p>(3) The dissolution decision of Fondul Proprietatea must be registered with the commercial registry and published in the Official Gazette of Romania, Part IV.</p> <p style="text-align: center;">ARTICLE 32 Liquidation</p> <p>(1) The dissolution of Fondul Proprietatea has as consequence the opening of the liquidation procedure.</p> <p>(2) The liquidation of Fondul Proprietatea and distribution of the non-current assets are made in accordance with the law.</p> <p style="text-align: center;">ARTICLE 33 Calculation method of the net asset value</p> <p>The calculation method of the net asset value is made according to the legal provisions in force.</p> <p style="text-align: center;">ARTICLE 34 Prudential rules concerning the investment policy</p> <p>(1) The investment policy is established by the Fund Manager, with the observance of the investment limitation provided by the legal provisions in force and of this Constitutive Act.</p> <p>(2) Fondul Proprietatea shall be subject to the investment restrictions provided under Law No. 247/2005 on property and justice reform, and additional measures, as further amended and completed, of Law No. 297/2004 on the capital market, as further amended and completed as well as any other applicable law or</p>		
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regulation.

(3) Subject to the terms of this Constitutive Act, of the IMA and the applicable law, all decisions in relation to the acquisition of, disposal of, and exercise of all rights and obligations in relation to the assets of Fondul Proprietatea shall be at the sole discretion of the Fund Manager.

(4) Prudential rules concerning the investment policy will be by approved by the shareholders through the Investment Policy Statement.

ARTICLE 35

Conditions for the replacement of the depository

(1) Fondul Proprietatea shall conclude a depository agreement with a depository legal entity authorised and supervised by the National Securities Commission, which performs depository operations in relation to securities, as well as any operations in connection with those. The activities to be developed by the depository and the conditions for its replacement shall be provided in the depository agreement.

(2) The depository agreement shall include mandatorily clauses related to the replacement of the depository and rules for ensuring shareholders' protection in such situations.

ARTICLE 36

Identity, requirements regarding the qualification, professional experience and integrity of the management members

(1) The Fund Manager, respectively its permanent representative shall cumulatively fulfil with the minimum requirements regarding the integrity, qualification and professional experience provided in the legislation and in other specific provisions; the identity of the Fund Manager is the one registered with the National Office of Trade Registry, based on the decision of the general meeting of the shareholders regarding its election.

(2) Fund Manager means the investment management company, legal person established as a limited company which operates or will be established and operated on the authorization issued by the NSC, including investment management company, foreign entity, authorized by the competent authority of State of origin and which

regulation.

(3) Subject to the terms of this Constitutive Act, of the IMA and the applicable law, all decisions in relation to the acquisition of, disposal of, and exercise of all rights and obligations in relation to the assets of Fondul Proprietatea shall be at the sole discretion of the Fund Manager.

(4) Prudential rules concerning the investment policy will be by approved by the shareholders through the Investment Policy Statement.

ARTICLE 35

Conditions for the replacement of the depository

(1) Fondul Proprietatea shall conclude a depository agreement with a depository legal entity authorised and supervised by the National Securities Commission, which performs depository operations in relation to securities, as well as any operations in connection with those. The activities to be developed by the depository and the conditions for its replacement shall be provided in the depository agreement.

(2) The depository agreement shall include mandatorily clauses related to the replacement of the depository and rules for ensuring shareholders' protection in such situations.

ARTICLE 36

Identity, requirements regarding the qualification, professional experience and integrity of the management members

(1) The Fund Manager, respectively its permanent representative, shall cumulatively fulfil with the minimum requirements regarding the integrity, qualification and professional experience provided in the legislation and in other specific provisions; the identity of the Fund Manager is the one registered with the National Office of Trade Registry, based on the decision of the general meeting of the shareholders regarding its election.

(2) Fund Manager means the investment management company, legal person established as a limited company which operates or will be established and operated on the authorization issued by the NSC, including investment management company, foreign entity, authorized by the competent authority of State of origin and which

<p>will establish a branch in Romania, the permit issued by the NSC, and NSC entered in the register this branch.</p> <p>ARTICLE 37 Litigations</p> <p>The litigations of any type shall be amiably resolved and if this is not possible, they shall be solved by the competent arbitral or judicial courts.</p> <p>CHAPTER X Final provisions</p> <p>ARTICLE 38 Final provisions</p> <p>The provisions of this constitutive act are completed by the provisions of Company Law No. 31/1990, republished, as further amended and completed, and other applicable legal provisions in force as well as by the provisions of the capital market legislation governing the issuers whose shares are admitted on trading.</p>	<p>will establish a branch in Romania, the permit issued by the NSC, and NSC entered in the register this branch.</p> <p>ARTICLE 37 Litigations</p> <p>The litigations of any type shall be amiably resolved and if this is not possible, they shall be solved by the competent arbitral or judicial courts.</p> <p>CHAPTER X Final provisions</p> <p>ARTICLE 38 Final provisions</p> <p>The provisions of this constitutive act are completed by the provisions of Company Law No. 31/1990, republished, as further amended and completed, and other applicable legal provisions in force as well as by the provisions of the capital market legislation governing the issuers whose shares are admitted on trading.</p>		
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The IMA in force	Proposals	The response of Financial Supervisory Authority (“FSA”)	Comments
<p>1. INTERPRETATION</p> <p>In this Agreement, unless the context otherwise requires, it is agreed that:</p> <ul style="list-style-type: none"> – words in the singular include the plural, words in the plural include the singular, words importing the masculine gender include the feminine, and words importing the feminine gender include the masculine; – headings and paragraphs are for the purpose of organization only and shall not be used to interpret this Agreement; – references to “this Management Agreement” include its Preamble, Recitals and Annex (which are incorporated herein by reference and are integrated within the body of this Management Agreement) and this Management Agreement, unless otherwise stated; – references in this Management Agreement to Preamble, Recitals, Sections, Articles, Clauses, Sub-Clauses and Schedules are to the preamble, recitals, sections, articles, clauses and sub-clauses of, and annexes to, this Management Agreement, unless otherwise stated. 	No changes.		
<p>2. DEFINITIONS</p> <p>In this Management Agreement, the following capitalised terms shall, unless the context otherwise requires or it is otherwise provided, have the following meanings:</p> <p>Account means the account maintained by the depositary and sub-custodian(s), as the Customer has notified in writing to the Fund Manager;</p> <p>Affiliate means, with respect to any person, any other person directly or indirectly controlling, directly or indirectly controlled by, or under common control with such person;</p> <p>AOPC means the collective investment undertakings other than the undertakings for collective investment in transferable securities (OPCVM) which are established as closed-end investment funds or closed-end investment companies as defined by art. 114 para. (1) of Law no. 297/2004;</p> <p>Associated company (when used in relation to the Fund Manager) means any company which is an Affiliate of the Fund Manager;</p> <p>BoN means the Board of Nominees (“<i>Comitetul Reprezentantilor</i>” in Romanian language) - the board witch supervises the Fund Manager, appointed by the GSA and under direct supervision of GSA;</p> <p>Central Depository means a legal person established as a joint-stock company, authorised and supervised by CNVM, which deposits securities and carries out other related operations;</p> <p>CNVM means the Romanian National Securities Commission, having the duties established in the Government Emergency Ordinance no. 25/2002 on the approval the By-laws of the National Securities Commission, approved with amendments by Law no. 514/2002, as subsequently amended;</p> <p>Constitutive Act means the Articles of Incorporation of the Customer;</p> <p>Control and its synonyms means the relationship between the parent company and its subsidiary or a similar relation between any individual or legal entity and a commercial company; any subsidiary of a subsidiary will be considered a subsidiary of the parent company actually controlling these subsidiaries; a close relationship is also considered to be the situation</p>	No changes.		

where two or more natural or legal entities are permanently linked by one and the same person through a control relationship;

Customer means S.C. „Fondul Proprietatea” S.A., a closed - end investment company established in 2005 by the Romanian Government by the Government Decision no. 1481/2005 regarding the establishment of the Company S.C. „Fondul Proprietatea” – S.A., as further amended, in order to compensate the citizens whose assets were abusively taken from them during the Communist era, located in Bucharest municipality, Apolodor St. 17, 5th District, Romania;

Damages mean any and all losses, claims or liabilities generated by any circumstances that may result in a prejudice;

Delegate means the entity which has been delegated or outsourced the investment management or other functions by the Fund Manager, with the prior endorsement of CNVM, where required by applicable legislation.

Depository is that credit institution in Romania, authorized by Romania’s National Bank, according to banking legislation, or a branch in Romania of a credit institution, authorized in a Member State, endorsed by CNVM to hold and safeguard financial assets in compliance with the provisions of Law no. 297/2004, in the deposit of which are entrusted for safekeeping all assets of S.C. „Fondul Proprietatea” S.A.;

Dispute means any dispute or disagreement arising out of or in connection with this Management Agreement, including without limitation any disputes regarding its valid conclusion, existence, nullity, breach, termination or invalidity;

Fund Manager is Franklin Templeton Investment Management Limited, the asset management company, a foreign legal person, which is set up as a joint-stock company and is authorized by the competent authority in the Member State of origin and which, as a precedent condition for this Agreement to become effective, will set up a branch on Romania’s territory, based on the authorization issued by CNVM and will register such branch with the CNVM Registry. The Fund Manager will be designated as sole director of the Customer according to the provisions of this Management Agreement and of the Constitutive Act.

GDP means Gross Domestic Product, meaning the monetary value of all the processed goods and services produced within Romania’s borders in a specific time period;

GEO no. 81/2007 means the Emergency Government Ordinance no. 81/2007 for the acceleration of the procedure on granting damages in relation to assets abusively taken, published in the Official Gazette No. 446 of 29 June 2007, Part I;

GSA means the General Shareholders’ Assembly of the Customer;

IFRS means International Financial Reporting Standards, meaning a set of international accounting standards stating how particular types of transactions and other events should be reported in financial statements, as issued by the International Accounting Standards Board, as adopted by European Union.

Indemnified Party means the Customer, its employees, agents and representatives;

In-House Funds means collective investment schemes and individual portfolios of investments (VN: we deleted because it was more that in Romanian) managed by the Fund Manager;

<p>IPS means the Investment Policy Statement, meaning the process that the Customer has approved in order to make investment related decisions in relation to the Portfolio assets;</p> <p>Law No. 297/2004 means the Capital Market Law no. 297/2004, published in the Official Gazette of Romania No. 571 of 29 June 2004, Part I, as further amended and completed;</p> <p>Law No. 247/2005 means the Law no. 247/2005 regarding the Property and Judicial Reform, as well as Adjacent Measures, published in the Official Gazette No. 653 of 22 July 2005, Part I, as further amended and completed;</p> <p>Listing means the first day of trading on the regulated spot market managed by S.C. Bursa de Valori Bucuresti S.A.;</p> <p>Member State means the Member States of the European Union and the other States which belong to the European Economic Area;</p> <p>Management Agreement means this Management Agreement concluded between S.C. Fondul Proprietatea S.A., as Customer and FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED, as Fund Manager;</p> <p><i>NAV means the net asset value of Fondul Proprietatea, which is determined according to CNVM regulations and applicable legislation.</i></p> <p>OPCVM means undertakings for collective investment in transferable securities; meaning open-end investment funds and investment companies as defined by Art. 76 para. (1) of Law no. 297/2004;</p> <p>Prudential rules means regulations regarding prudential and capital adequacy requirements issued by CNVM or other capital market/banking regulatory bodies in the European Union in order to assess risks correctly and further to prevent and mitigate their effects;</p> <p>Portfolio means the totality of assets managed.</p> <p>Regulated market is the market defined in art. 125 of Law no. 297/2004;</p> <p>Sole Director means the legal person appointed by the shareholders to manage the Customer, within the limits provided by the applicable Romanian law, the Constitutive Act and the decisions of the GSA. For the purposes of this Agreement, any reference to the Sole Director is a reference to the Fund Manager.</p> <p>Soft dollar practices mean arrangements under which assets or services, other than excution of securities transactions, are obtained by a fund manager from or through a broker in exchange for the fund manager directing to the respective broker trades concluded on behalf of the undertaking for collective investment managed by that fund manager.</p>			
<p>3. AGREEMENT SCOPE</p> <p>The scope of this Management Agreement is to grant the Fund Manager the mandate of Sole Director of the Customer, and also, of fund manager of the Customer and to establish the parties' rights and obligations regarding this mandate.</p> <p>4. APPOINTMENT OF THE FUND MANAGER</p> <p>4.1 By this Management Agreement, the Customer appoints the Fund Manager as the Sole Director of the Customer and also as the fund manager of the Portfolio transferred according to point 14.1. let. d).</p>	<p>No changes.</p>		

<p>5. ACCEPTANCE OF APPOINTMENT</p> <p>The Fund Manager accepts its appointment as Sole Director of the Customer and fund manager of the investments upon the terms of this Management Agreement.</p>			
<p>6. OBLIGATIONS OF THE FUND MANAGER. MANAGEMENT SCOPE AND OBJECTIVE</p> <p>6.1. The obligations and the competencies of the Fund Manager as Sole Director of the Customer are set forth by Romanian Company Law no. 31/1990, as republished and further amended and the applicable regulations, Law no. 297/2004 and the applicable regulations and the Constitutive Act, which may be subject to further amendment according to law. The Fund Manager shall be responsible for:</p> <p>(i) establishing a reference date for shareholders entitled to vote within the general assembly, under the law, and draft the text of the announcement on the convocation of the general assembly, after obtaining the prior approval of the Board of Nominees and after it added to the agenda the matters requested by the Board of Nominees;</p> <p>(ii) upon the written request of any shareholder submitted before the date of the general assembly of the shareholders, providing answers, after obtaining the prior approval of the Board of Nominees, in connection with the aspects concerning the business of Fondul Proprietatea;</p> <p>(iii) ensuring that, if requested by any of the shareholders, a copy of the minutes of the general assembly shall be given to them and also, after the calling of the ordinary annual general assembly of the shareholders is published, make available to the shareholders the financial statements of the company and the reports of the Fund Manager and of the company's financial auditors,</p> <p>(iv) preparing the annual financial statements, drafting the annual activity report, examining the financial auditors' report, presenting them to the Board of Nominees before submitting such documents to the general assembly of the shareholders for approval and making proposals on the distribution of the profit, after obtaining the prior approval of the Board of Nominees;</p> <p>(v) managing the relationship with the Central Depository with regard to its shareholders register functions,</p> <p>(vi) preparing an annual report on the management and the business policy of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;</p> <p>(vii) proposing for the prior approval of the Board of Nominees and further, of the general assembly of the shareholders, of the yearly income and expenditure budget and business plan;</p> <p>(viii) proposing for the prior approval of the Board of Nominees and further, of the general assembly of the shareholders of Fondul Proprietatea, the general strategy in accordance with the investment policy of Fondul Proprietatea; it is responsible for implementation of the investment policy and with achieving a proper balance between the profits and the risks related to the portfolio of Fondul Proprietatea, it has to inform periodically the Fund on the significant changes in the activities of Fondul Proprietatea and within the structure of its portfolio.</p> <p>(ix) approving the outsourcing of certain activities, within the limits of the approved budget, respectively delegating the performance of certain activities, subject to the prior endorsement by CNVM , where required by applicable legislation.</p>	<p>(vi) preparing an annual report on the management policy of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;</p> <p>(vii) proposing for the prior approval of the Board of Nominees and further, of the general assembly of the shareholders, of the yearly income and expenditure budget;</p>	<p>FSA endorsed the text under condition to be reworded and reapproved by shareholders. The text suggested by FSA is:</p> <p><i>“(vi) preparing an annual report on the management and the business policy of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;”</i></p> <p>FSA endorsed the text under condition to be reworded and reapproved by shareholders. The text suggested by FSA is:</p> <p><i>(vii) proposing for the prior approval of the Board of Nominees and further, of the general assembly of the shareholders, of the yearly income and expenditure budget and business programme of Fondul Proprietatea;”</i></p>	<p>Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the IMA in force – in fact FSA has not endorsed the change approved by shareholders.</p> <p>FSA obliges FP to organize a new EGM and to ask the shareholders to vote the new text.</p>

(x) based on the proposal of the Board of Nominees submitting to the approval of the extraordinary general meeting of the shareholders any agreement / document which may create binding obligations to Fondul Proprietatea, (including but not limited to the purchase, selling, change or encumber the non-current asset of Fondul Proprietatea) whose value exceeds, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables;

(xi) entering into any agreement / document which may create binding obligations to Fondul Proprietatea, (the purchase, sale, conversion or encumber the non-current asset of Fondul Proprietatea) whose value does not exceed, either individually or cumulatively during a financial year, 20% of the non-current assets, less any receivables, without prior approval of the ordinary or extraordinary general shareholders meeting;

(xii) subject to the provisions of the Constitutive Act, IPS and applicable legislation taking all decisions at its sole discretion in relation to the acquisition of, disposal of, and exercise of all rights and obligations in relation to the assets of Fondul Proprietatea;

(xiii) proposing to the general assembly of the shareholders the conclusion of the financial audit agreement according to the legal provisions in force, upon obtaining the prior approval of the Board of Nominees, as well as approving the procedure of internal audit and the audit plan;

(xiv) deciding the relocation of the registered office, provided that the registered office shall at all times be registered in Romania;

(xv) making available to the Board of Nominees the reports, as well as any other documents necessary for exercising the monitoring duties, in accordance with art. 17 para. (11) of Annex no. 7 to the Terms of Reference as approved by Government Resolution 1514/2008 approving the regulation for the organisation of the international tender for the appointment of the management company of Fondul Proprietatea and of the Terms of Reference of the tender; to inform at once the Board of Nominees on any litigation or infringement of legislation regarding securities related to the Fund Manager, on any operation which might be an infringement to the investment policy and about the plans/correction measures for addressing these matters.

(xvi) asking for the calling of the extraordinary general assembly of shareholders in order for the latter to decide whenever an issue appears on which the Board of Nominees has a disagreement with the Fund Manager, which can not be resolved amiably by the two corporate bodies.

Also, the Fund Manager shall have at least the obligations established in the Terms of Reference and the IPS, all of them approved by Government Decision no. 1514/ 2008 and assumed by the offer submitted by the Fund Manager within the international tender for appointing the fund manager for Fondul Proprietatea S.A.

(xvii) proposing to Board of Nominees the recommendation for the Extraordinary General Meeting of the Shareholders for the appointment of the investment firm/investment bank who shall manage a public offer, as well as on its remuneration , when it will become necessary that such a company be appointed related to the admission to trading of Fondul Proprietatea

(xviii) any other responsibilities set according to the Constitutive Act and applicable legislation.

6.2. The Fund Manager shall perform its duties under this Management Agreement in line with the Customer's best interest, consisting in responding to public offerings or other corporate actions in connection with the securities in the Portfolio.

	<p>6.2. The Fund Manager shall perform its duties under this Management Agreement in line with the Customer's best interest, with respect in responding to public offerings or other corporate actions in connection with the securities in the Portfolio.</p>	FSA endorsed this text without comments.	This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.
<p>7. AUTHORIZED TRANSACTIONS According to the legal regulations in force, respectively Companies Law no. 31/1990, Law no. 297/2004 regarding the capital market and secondary regulations issued by C.N.V.M., as well as Law no. 247/2005 regarding the reform in the areas of ownership and justice as well as some related measures – Title VII, Government Emergency Ordinance no. 81/2007 for the acceleration of the procedure of granting of indemnifications for the immovable assets abusively seized, Government Decision no. 1481/2005 on the establishment of S.C. “Fondul Proprietatea” S.A. having attached the Constitutive Act of S.C. “Fondul Proprietatea” S.A., as further amended and completed, Government Decision no. 1514/ 2008 regarding the approval of the regulation for organizing the international tender for selecting the fund manager of S.C. “Fondul Proprietatea” S.A. and of tender book, as well as all other incident legal provisions in force.</p> <p>8. ASSET CUSTODY AND THE DEPOSITARY 8.1. The assets of the Customer shall be placed in custody according to legal provisions applicable to the AOPC. The depository agreement shall include clauses relating to the replacement of the Depositary and rules for safeguarding the shareholders in such situations.</p> <p>8.2. All payments due for receipt by the Customer, such as dividends, interests, sale proceeds, or any with other title, shall be paid directly to the Depositary and in the Customer's account opened at the Depositary. The Fund Manager shall not be entitled at any time and in any form to hold cash or other assets from the Portfolio belonging to the Customer in any form.</p>	No changes.		
<p>9. FUND MANAGER REMUNERATION AND EXPENSES 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 Terms of Reference and the final offer formulated following the negotiations.</p> <p>9.1 As remuneration for its services under this Management Agreement, the Fund Manager shall receive a management fee in Romanian national currency – Lei, according to the Annex to this Management Agreement.</p> <p>9.2 Save as expressly provided otherwise in this Management Agreement, all costs and expenses incurred by the Fund Manager in the performance of its functions shall not be for the account of the Customer, but as the parties to this Agreement agree, shall be borne by the Fund Manager. Customer shall bear, or shall reimburse the Fund Manager where the Fund Manager has incurred them in advance, the following expenses: a) expenses related to the payment of fees owed to the Depositary; b) expenses related to intermediaries; c) expenses related to taxes and fees owed to CNVM,</p>	<p>9. FUND MANAGER REMUNERATION AND EXPENSES 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 Terms of Reference and the final offer formulated following the negotiations in the annexes of this agreement.</p> <p>9.1 As remuneration for its services under this Management Agreement, the Fund Manager shall receive a management fee in Romanian national currency – Lei, according to the Annexes to this Management Agreement.</p> <p>9.2 Save as expressly provided otherwise in this Management Agreement, all costs and expenses incurred by the Fund Manager in the performance of its functions shall not be for the account of the Customer, but as the parties to this Agreement agree, shall be borne by the Fund Manager. Customer shall bear, or shall reimburse the Fund Manager where the Fund Manager has incurred them in advance, the following expenses: a) expenses related to the payment of fees owed to the Depositary; b) expenses related to intermediaries; c) expenses related to taxes and fees owed to CNVM,</p>	FSA endorsed the text under condition to be reworded and reapproved by shareholders. The text suggested by FSA is: <i>“The Fund Manager’s remuneration for its services under this Management Agreement is established according to the requirements in the Regulation for Organizing the Tender, the Tender Book and the final offer formulated following the negotiations.”</i>	Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the IMA in force – in fact FSA has not endorsed the change approved by shareholders.

<p>d) expenses related to the financial audit performed on Fondul Proprietatea and any other audits or valuations required by the legislation in force applicable to the Customer;</p> <p>e) expenses related to the admission to trading of the financial instruments issued by Fondul Proprietatea, and any subsequent issues or offerings, expenses with intermediaries arranging the listing, expenses related to marketing and arranging presentations to build investor interest, and expenses related to ongoing reporting and disclosure obligations applicable to an issuer admitted to trading on a regulated market;</p>	<p>d) expenses related to the financial audit performed on Fondul Proprietatea and any other audits or valuations required by the legislation in force applicable to the Customer;</p> <p>e) expenses related to the admission to trading of the financial instruments issued by Fondul Proprietatea, and any subsequent issues or offerings,</p> <p>f) expenses with intermediaries arranging the listing,</p> <p>g) expenses related to investor relations and public relation in the interest of Fondul Proprietatea;</p> <p>h) expenses related to ongoing reporting and disclosure obligations according to legislation in force;</p> <p>i) expenses related to the organising of GSA and communications with the shareholders and to the payment of fees for registrar services rendered by the Central Depository;</p> <p>j) expenses related to the payment of taxes and fees owed to the Bucharest Stock Exchange and any other exchange on which the financial instruments of Fondul Proprietatea shall be admitted to trading;</p> <p>k) expenses related to the registration with the Trade Registry or documents issued by the Trade Registry;</p> <p>l) expenses related to the payment of fees owed to the banks for banking services performed for Fondul Proprietatea, with the exception of the expenses mentioned in letter a);</p> <p>m) expenses related to appointing legal advisers to act on behalf of Fondul Proprietatea, where necessary to protect the legal rights of Fondul Proprietatea and defend claims of third parties against Fondul Proprietatea;</p> <p>n) expenses related to contracts with external service providers existing as of execution of this Management Agreement until the expiry or termination of the contract;</p> <p>o) expenses related to remuneration of the members of the BoN (in relation to their services and attendance at meetings, in accordance with the Constitutive Act and any applicable internal regulations) and for independent persons (not employees of the Fund Manager or its affiliates) acting as representatives of Fondul Proprietatea on the corporate bodies of companies in the Portfolio, where appropriate;</p> <p>p) expenses relating to printing costs for Fondul Proprietatea's documentation;</p> <p>q) expenses or charges imposed to the Customer by any tax authority related to the above expenses or otherwise applicable to the running of the business of Fondul Proprietatea;</p>	<p>FSA endorsed the text under condition to be reworded and reapproved by shareholders. The text suggested by FSA is: <i>“e) expenses related to the admission to trading of the financial instruments issued by Fondul Proprietatea, and any subsequent issues or offerings, expenses with intermediaries arranging the listing, expenses related to marketing and arranging presentations for the public offer to build investor interest, and expenses related to ongoing reporting and disclosure obligations applicable to an issuer admitted to trading on a regulated market;”</i></p> <p>FSA endorsed the text under condition to eliminate the proposed approved at letter f).</p> <p>FSA endorsed the text under condition to eliminate the proposed approved at letter g).</p> <p>FSA endorsed the text under condition to eliminate the proposed approved at letter h).</p> <p>FSA endorsed this change without comments.</p> <p>FSA endorsed this change without comments.</p> <p>FSA endorsed this change without comments.</p>	<p>Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the IMA in force – in fact FSA has not endorsed the change approved by shareholders.</p> <p>Even FSA said that endorsed this change, in fact the FSA suggested to eliminate this change and as a result FSA has not endorsed the change approved by shareholders.</p> <p>Even FSA said that endorsed this change, in fact the FSA suggested to eliminate this change and as a result FSA has not endorsed the change approved by shareholders.</p> <p>Even FSA said that endorsed this change, in fact the FSA suggested to eliminate this change and as a result FSA has not endorsed the change approved by shareholders.</p> <p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.</p> <p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.</p> <p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA</p>
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<p>business of Fondul Proprietatea;</p> <p>o) other expenses approved by the BoN for the Customer in accordance with the Constitutive Act.</p> <p>The expenses mentioned at points d), e), f) j) and m) above shall be made by the Fund Manager only with the prior written approval of the BoN.</p> <p>Save as provided above, the Fund Manager shall be liable for the following out of pocket expenses incurred when performing its duties hereunder, including, but not limited to:</p> <p>a. expenses in connection with mailing and telephone;</p> <p>b. expenses in connection with business travels and accommodation;</p> <p>c. expenses in connection with salaries, bonuses and all other remunerations granted by the Fund Manager to its employees and collaborators;</p> <p>d. all other expenses necessary to the functioning of the Fund Manager or its Romanian branch.</p> <p>9.3 In the execution of this Management Agreement, the Fund Manager shall not use “soft dollars” practices. All transactions in connection to the Portfolio shall be made in the best interest of the Customer and according to the IPS, and shall be consistent with the principles of best execution.</p> <p>9.4 Any director’s fees and other fees received by the Fund Manager’s employees, agents or representatives from any of the Portfolio companies will be either paid over to the Customer or deducted from the management fee.</p> <p>9.5 The Fund Manager shall not claim any lien, right of retention, security interest or set-off over the Portfolio or any assets or moneys in it.</p>	<p>r) expenses relating to the valuation of unlisted portfolio holdings by independent valutors with the prior approval of BoN, according to the Ordinary General Meeting of Shareholders Resolution no. 22/27.06.2012;</p> <p>s) other expenses with an annual value that does not exceed EURO 50,000 related to the activity of Fondul Proprietatea;</p> <p>t) other expenses approved by the BoN for the Customer in accordance with the Constitutive Act, if the annual value exceeds EURO 50,000.</p> <p><i>Deletion proposed</i></p> <p>Save as provided above, the Fund Manager shall be liable for the following out of pocket expenses incurred when performing its duties hereunder, including, but not limited to:</p> <p>(i) expenses in connection with mailing and telephone;</p> <p>(ii) expenses in connection with business travels and accommodation, except the expenses related to investor relations;</p> <p>(iii) expenses in connection with salaries, bonuses and all other remunerations granted by the Fund Manager to its employees and collaborators;</p> <p>(iv) all other expenses necessary to the functioning of the Fund Manager or its Romanian branch.</p> <p>9.3 In the execution of this Management Agreement, the Fund Manager shall not use “soft dollars” practices. All transactions in connection to the Portfolio shall be made in the best interest of the Customer and according to the IPS, and shall be consistent with the principles of best execution.</p> <p>9.4 Any director’s fees and other fees received by the Fund Manager’s employees, agents or representatives from any of the Portfolio companies will be either paid over to the Customer or deducted from the management fee.</p> <p>9.5 The Fund Manager shall not claim any lien, right of retention, security interest or set-off over the Portfolio or any assets or moneys in it.</p>	<p>FSA endorsed the text under condition to eliminate the proposed approved at letter r).</p> <p>FSA endorsed the text under condition to eliminate the proposed approved at letter s).</p> <p>FSA endorsed the text under condition to be reworded and reaproved by shareholders. The text suggested by FSA is: “o) other expenses approved by the BoN for the Customer in accordance with the Constitutive Act.”</p> <p>FSA endorsed this change without comments.</p> <p>FSA endorsed this change without comments.</p>	<p>Even FSA said that endorsed this change, in fact the FSA suggested to eliminate this change and as a result FSA has not endorsed the change approved by shareholders.</p> <p>Even FSA said that endorsed this change, in fact the FSA suggested to eliminate this change and as a result FSA has not endorsed the change approved by shareholders.</p> <p>Even FSA said that endorsed this change, in fact the wording proposed by FSA is the same one with the one of the IMA in force – in fact FSA has not endorsed the change approved by shareholders.</p> <p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.</p> <p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.</p>
<p>10. PROVISION OF INFORMATION TO THE CUSTOMER AND ITS REPRESENTATIVES</p> <p>10.1 The Fund Manager will provide the Board of Nominees with such analysis of performance and periodical tabular presentations in connection to the Portfolio as reasonably requested by the Board of Nominees. At least twice in a calendar year the Fund Manager will make a presentation to the Board of Nominees in Bucharest in respect of the Portfolio for the previous six months and the Board of Nominees may request any documents in view to discussing market factors, the Portfolio and the operation of this Management Agreement.</p> <p>10.2 The Fund Manager shall provide, quarterly and/or upon request, to the Customer written documents evidencing the transactions entered into between the Fund Manager, on behalf of the Customer, and third parties in</p>	<p>No changes.</p>		

connection with the Portfolio.

10.3 The Fund Manager shall keep accurate and detailed records of all investments, receipts, disbursements and other transactions relating to the Portfolio which it shall send to the Customer monthly.

10.4 The Fund Manager shall supply on demand to the Customer copies of all accounts entries in its books relating to the Portfolio. The Fund Manager will extend its normal working schedule as and when requested by the Customer and will provide, without unnecessary delay, all necessary facilities and assistance to the Customer's auditors and other authorised representatives, including representatives of its shareholders and/or of the BoN, to audit and verify records of the Fund Manager relating to the securities, papers and other assets in the Portfolio. The scope of the audit shall not be limited by the Fund Manager and may include the examination of the accounting system, procedures, records, internal controls, and other areas considered necessary to examine by the Customer or such auditor in order to facilitate formulation by the Customer of any opinion on the costs, both direct and indirect, or other amounts billed to the Customer and the performance of the Portfolio and the Fund Manager. The Fund Manager shall co-operate as necessary for the performance of any such audits, including securing for the aforementioned auditors and other authorised representatives assistance from the Fund Manager's compliance officer and internal audit.

10.5 The Fund Manager shall report to the Customer within two business days of its discovery of any non-compliance with the provisions of this Agreement (including the Schedules) and shall take all steps required to rectify such non-compliance as soon as possible.

10.6. The Fund Manager will liaise as necessary with the Depositary to enable the Depositary, on the Customer's behalf, to fulfil any obligations to disclose shareholdings in companies in which the Portfolio is invested in accordance with relevant legislation and will provide timely information to the Depositary for this purpose.

11. CONFIDENTIALITY AND ACTS WITH FISCAL CONSEQUENCES

11.1 The Fund Manager will, except only in so far as:

- (a) otherwise required by laws or regulations; or
- (b) necessary for effecting settlement and the performance of operations with the Depositary and any sub-custodian for the assets of the Portfolio; or
- (c) otherwise permitted in writing by the Customer; or
- (d) necessary for the purpose of setting up foreign exchange facilities (disclosure in this case shall be limited to credit and compliance departments of the banks),

ensure that all matters relating to the Portfolio will be kept strictly confidential. Before the Fund Manager discloses confidential information under let. a), it shall inform the Customer to this end.

11.2 The Fund Manager shall not disclose information relating to the Portfolio to other companies of the Franklin Templeton financial group who carry on to a material extent any activities other than investment management outside those members of staff engaged in investment management functions, except in circumstances permitted in clause 11.1 (a)- (d). The Fund Manager shall in any event operate confidentiality procedures which oblige its staff only to disclose information relating to the Portfolio within the Fund Manager on a “need to know” basis and to observe strictest confidentiality in relation to price sensitive information.

11.3. The Fund Manager shall not knowingly take or omit to take any action which might prejudice the interests of the Customer with respect to the applicable tax legislation.

12. TERMINATION

This Agreement may be terminated according to the legal regulations in force, as well as under the conditions established according to the Regulation for Organizing the International Tender, the Terms of Reference and the Final Offer resulting after negotiations and according to this Management Agreement.

12.1 (a) The Customer may unilaterally and at its sole discretion terminate (“*denuntare unilaterală*” in Romanian language) this Management Agreement, at any time, on three months’ prior written notice to the Fund Manager. Should the termination of this Management Agreement occur, the mandate of the Fund Manager as Sole Director terminates accordingly.

(b) The Fund Manager may terminate this Management Agreement, in the first three years from the date of the entering into force of this Management Agreement, with twelve months’ prior written notice. Thereafter, the Fund Manager may terminate this Management Agreement on six months’ prior written notice to the Customer.

(c) Notwithstanding the above the Fund Manager may terminate this Management Agreement by written notice to the Customer, if so required by any competent regulatory authority or if the Customer becomes the subject of any winding up order.

(d) In the event of either party giving notice to terminate this Management Agreement, the Fund Manager shall (except to the extent otherwise required in writing by the Customer) continue to carry out all such acts as it is empowered and required to do by any part of this Management Agreement until the date of termination, except that it shall not, without the express instruction of the Customer, enter into any new commitment after the receipt of such notice. Termination of this Management Agreement shall not terminate rights and obligations which are capable of surviving termination, including in particular, duties of the Fund Manager to report to the Customer, to provide information to the Customer and to keep matters confidential. Transactions in progress shall be dealt with in accordance with the Customer’s instructions or, in the absence of such instructions, having regard to the best interests of the Portfolio.

e) In the event of the termination of the Agreement, the Customer has the duty to pay any outstanding fees due to the Fund Manager pro rata to the date of termination.

12.2. In case of default in performing the obligations assumed under this Management Agreement, this Management Agreement shall be terminated with full right without prior notice and without any court intervention.

13. AMENDMENT OF THE MANAGEMENT AGREEMENT AND ASSIGNMENT OF RIGHTS

13.1 This Management Agreement may be amended at any time by an addendum signed by the legal representatives of the Fund Manager and of the Customer, with the prior approval of CNVM.

13.2 This Management Agreement is concluded in consideration of the person of the Fund Manager and the Fund Manager shall not be entitled to assign or to transfer any of its rights or obligations hereunder. The Fund Manager may delegate or outsource the investment management or other functions to any entity (“Delegate”), subject to prior endorsement of CNVM where required by applicable legislation. The Fund Manager may delegate the Portfolio management activity with observance of the legal provisions in force. The delegation of its functions to third parties shall not exonerate the Fund Manager of its liability.

13.3. The Fund Manager acknowledges and accepts that, if the legislation governing the Customer is amended so as to recognize the possibility for the Fondul Proprietatea to act as a self managed fund and outsource only

the portfolio management activities, the Customer is free, at its own discretion, to decide on the change in the corporate governance structure of Fondul Proprietatea. If the corporate governance structure of Customer is changed, the Fund Manager accepts the consequences of such a change and, implicitly, agrees to amend the Management Agreement.

14. DURATION OF THE AGREEMENT

14.1 This Management Agreement shall be effective when all the actions below are completed:

- a) both parties have signed this Management Agreement;
- b) the resolution approved by the extraordinary GSA, has been published in the Official Gazette of Romania as well as its registration with the Bucharest Trade Registry upon the fulfillment of all necessary legal proceedings;
- c) the Fund Manager has properly completed the registration of its Romanian branch;
- d) the Fund Manager and the Customer conclude, in writing, a handover protocol of the Portfolio.

Such handover protocol as mentioned at let. d) above will be concluded at the date when the money and/or investments were transferred and shall specify the money and/or investments transferred giving the value of all assets transferred.

14.2 Notwithstanding 14.1 the Fund Manager shall co-operate, as from the signature of this Management Agreement, with the members of the Directorate, Supervisory Board and of the Board of Nominees, as the case may be, according to their duties as established in the Constitutive Act of S.C. “Fondul Proprietatea” - S.A.

14.3 In compliance with the Constitutive Act the duration of the Fund Manager mandate is four years as of the effective date and is renewed automatically, if there is no adverse decision of the general meeting of the shareholders, entitled to decide on the termination of the mandate even before its regular lifespan. The duration of this agreement shall be renewed automatically with a period of 4 years should the shareholders of Fondul Proprietatea not decide otherwise. The Fund Manager will call the Ordinary General Meeting of Shareholders with at least 3 months before of the termination of Investment Management Agreement having on the agenda the extension of the mandate or the appointing of a new Fund Manager. The Fund Manager will organize the Ordinary General Meeting of Shareholders before the termination of Investment Management Agreement.

15. COMMUNICATIONS, INSTRUCTIONS, NOTIFICATIONS

15.1. All notifications and other communications from the Customer shall be made by BoN to the Fund Manager.

15.2. For the purpose of any communication between the Customer and the Fund Manager in relation to this Agreement, the Customer shall be represented by Board of Nominees.

15.3 The Fund Manager shall be entitled to rely on any notification or communication given by the BoN above without further enquiry, provided the instruction, notification or communication is given in one of the ways permitted in this Management Agreement and provided that oral instructions may not be relied upon by the Fund Manager.

15.4. All notices or any other communication to be given under this

15.4. All notices or any other communication to be given under this Agreement must be in writing, in Romanian language, and must be: (i) personally delivered; (ii) delivered by fax; (iii) sent by courier with return receipt; or (iv) by e-mail.

<p>Agreement must be in writing, in Romanian language, and must be: (i) personally delivered; (ii) delivered by fax; (iii) sent by courier with return receipt; or by e-mail.</p> <p>15.5. The Parties details for transmitting notifications or any other communications related to the present Management Agreement are the following: If addressed to the Fund Manager: Address : Premium Point Building 78-80 Buzeşti Street, 7th -8th floor, Bucharest District 1, Postal Code 011017 Fax: (021) 200 96 31/32 To the attention of: Mr. Grzegorz Maciej Konieczny If addressed to the Customer: At the contact details provided by the representative of the Customer appointed in accordance with Section 15.1.</p>			
<p>16. PARTIES' LIABILITIES</p> <p>16.1 The Fund Manager is liable for any damages suffered by the shareholders as a result of:</p> <ul style="list-style-type: none">- infringement of normative acts and/or special regulations in force;- infringement of Customer's internal rules- deceit (in Romanian language "<i>dol</i>");- default in performing the Agreement (in Romanian language "<i>culpa in executarea contractului</i>");- __failure to perform or defective performance, of this Management Agreement's obligations <p>16.2 The Fund Manager shall be liable for its negligence, wilful default, fraud or breach of this Management Agreement, or that of its Delegates, associated companies or its or their employees. As exception, the Fund Manager shall not be liable if it can show that the loss, liability, costs or expenses arose from events beyond its and its Delegates', associated companies' (or its or their employees') reasonable control provided it maintains reasonable back up and disaster recovery systems relating to the applicable loss, liability, costs or expenses.</p> <p>16.3 The Fund Manager shall not be liable for brokers (not being associated companies of the Fund Manager) unless the Fund Manager has acted negligently in selecting, contracting or monitoring such persons. In selecting a broker for a particular transaction, the Fund Manager shall attempt to obtain best execution for the Customer, considering such factors as price, cost, speed and execution and settlement capabilities required by a transaction, volume, efficiency, nature of the transaction, confidentiality and other factors relevant for the envisaged transaction. Notwithstanding this responsibility, the Fund Manager will pursue counterparties on the Customer's behalf and account to the Customer for all recoveries against such counterparties.</p> <p>16.4. a) The Fund Manager agrees to indemnify and hold harmless the Customer, its employees, agents and its representatives (any and all of whom are referred to as the "Indemnified Party") from and against any and all losses, claims, damages or liabilities (any and all of which are referred to as "Damages"), to which the Indemnified Party may become subject under law, including allegations of negligence or breach of fiduciary duty, or otherwise, insofar as such Damages are caused by or arise out of: (i) the wilful misconduct of the Fund Manager or any of its Delegates or associated companies (or its or their employees); ii) the breach by the Fund Manager or any of its Delegates or associated companies (or its or their employees) of any representation or warranty; (iii) the breach or non-fulfilment by the Fund Manager or any of its Delegates or associated companies (or its or their employees) of any obligation pursuant to this Management Agreement; (iv) any untrue statement of a material fact</p>	<p>No changes.</p>		

contained in information furnished to an Indemnified Party by the Fund Manager or any of its Delegates or associated companies (or its or their employees) or the omission to state a material fact necessary in order to make the statements not misleading in light of the circumstances under which they were made; (v) the breach by the Fund Manager or any of its Delegates or associated companies (or its or their employees) of any fiduciary duty or infringement of applicable law.

(b) The Fund Manager shall indemnify and shall hold harmless each Indemnified Party for all costs and expenses (including legal expenses) incurred by an Indemnified Party, in connection with any investigation, claim, action, suit, proceeding, demand or judgment, which is subject to the above indemnities.

(c) In the absence of Fund Manager's or its employees' negligence, fraud, wilful default or breach of this Management Agreement or that of any of its employees or Delegates, associated companies or their respective employees, the Customer agrees to indemnify the Fund Manager from and against losses, claims, damages or liabilities established by definitive and irrevocable judgments, arising from following the Customer's specific instructions, provided that:

(i) The Fund Manager notifies the Customer in writing by fax or email (to such fax or email address as the BoN shall have notified the Fund Manager), as soon as reasonably practicable, but no later than 48 hours after becoming aware of the relevant definitive and irrevocable judgement establishing losses, claims, damages or liabilities as mentioned at let. c) above;

(ii) The Fund Manager does not make any admission of liability or agree to any settlement or compromise of any claim without the prior written consent of the Customer;

(iii) On a prompt and timely basis the Fund Manager shall have provided all such documents, information and assistance and have done all such acts and things as the Customer may have reasonably required in order to assist the Customer in relation to such claims; and

(iv) The Fund Manager will provide evidence that it has taken all reasonable steps necessary to mitigate such losses, claims, damages or liabilities prior to the notification mentioned at point (i) above.

16.5. The Fund Manager will maintain insurance for an insured amount of at least EUR 100 Million, including professional negligence and fidelity insurance so as to provide against, any failure to duly perform this Management Agreement or to account to the Customer for any money or investments if that failure is due to: (i) a wrongful act, negligent act, error, omission, or dishonest or fraudulent act of any employee; (ii) forgery of instructions, cheques, security or currency and damage caused to office premises and contents due to burglary or vandalism; and (iii) electronic and computer crime. Particulars of such insurance will be provided to the Customer on request. The Fund Manager shall notify the Customer forthwith of any proposed or actual reduction in the level, failure to renew, possible avoidance or early termination of any such insurance coverage.

16.6. Upon request of the Customer, the Fund Manager shall provide to the Customer evidence that the premium for the insurance described at pt. 16.5 above has been paid.

17. FORCE MAJEURE

“Force majeure” means unpredictable and unavoidable circumstance that precludes either party from performing its obligations, and exonerates the party that invokes the force majeure provided it is not at fault. Force majeure protects the party invoking it from responsibility.

18. APPLICABLE LAW AND JURISDICTION

18.1. This Management Agreement is governed by and shall be construed in accordance with the laws of Romania.

18.2. 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 ICC International Court of Arbitration Paris under the ICC 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 ICC Rules.

(c) Any award of the arbitral tribunal rendered in accordance with this clause shall be final and binding on the Parties.

(d) The award shall be voluntarily executed by the parties in any jurisdiction, or else award enforcement proceedings may be instituted in any court in the country where the recognition of such arbitration award is requested.

(e) In the event of a Dispute, the Party prevailing in such Disputes shall be entitled to recover all expenses, including without limitation reasonable legal fees and expenses and arbitral and court-related costs, incurred in ascertaining such Party’s rights under this Management Agreement and preparation of application and enforcement of such Party’s rights, as determined by the arbitration tribunal, whether or not it was necessary for such Party to institute any enforcement proceedings to achieving the enforcement of its rights.

18.3. Notwithstanding the above, the Fund Manager acknowledges that any decision of the Customer to terminate the Fund Manager’s mandate as Sole Director will take effect pursuant to the provisions of point 12.1. pt. a) above.

19. REPRESENTATIONS

19.1. By this Management Agreement, the Customer represents and certifies that it is the beneficial owner of the assets comprised in the Portfolio and the net income there from will accrue to the benefit of the Customer.

19.2. The Customer warrants and undertakes that on the date this Management Agreement becomes effective, the Portfolio will be free from any charge, lien, pledge or encumbrance (other than those resulting from normal custody and settlement arrangements). If the Customer shall create in the future or be informed about the creation of any charge, lien, pledge or encumbrance which may affect the Fund Manager’s freedom trade in such securities, it undertakes that it will inform the Fund Manager of such action as soon as reasonably practicable.

19.3. The Customer warrants and undertakes that the Customer has and will have all necessary consents and powers in its constitution and authorizations (all of which are fully enforceable in accordance with the terms thereof) to enter into this Management Agreement and to enable all transactions permitted under this Management Agreement to be effected and that all laws and regulations in Romania have been and will be complied with in respect of each such transaction.

19.4. The Fund Manager represents and warrants to the Customer that:

(i) the Fund Manager has full power and authority to execute and deliver and to carry out the terms of this Management Agreement and this

Management Agreement constitutes a legal, valid and binding obligation of the Fund Manager;

(ii) the Fund Manager is duly incorporated in Romania or in an EU Member State;

(iii) the Fund Manager has the legal capacity, as per the law applicable in its country of origin, and authorisation issued by the relevant capital markets/financial authority to provide investment management services to an entity such as the Customer;

(iv) the Fund Manager has special knowledge and skill relevant to the services for which it is engaged under this Management Agreement;

(v) the Fund Manager is not the subject of any regulatory or governmental actions, claims or investigations relevant to its investment management activities which could impair its ability to carry out the terms of this Management Agreement;

(vi) neither the Fund Manager nor any of its subsidiaries, divisions or other affiliates involved with the affairs of the Customer has ever had its registration revoked, suspended or its activities restricted;

(vii) the Fund Manager maintains adequate back up and disaster recovery systems and procedures;

(viii) the Fund Manager takes investment decisions solely with reference to the interests of its clients; and

(ix) its financial statements are subject to regular audit by financial auditors;

(x) to the best of the Fund Manager's knowledge, neither the execution, delivery, nor performance of this Management Agreement by the Fund Manager will violate any law, statute, order, rule, or regulation of, or judgment, order or decree by, any federal, state, local, or foreign court or governmental authority, domestic or foreign, to which the Fund Manager is subject nor will the same constitute a breach of, or default under, provisions of any agreement or contract to which it is a party or by which it is bound

The Fund Manager shall notify the Customer forthwith of any event or matter which would, if these warranties were repeated, render them untrue, inaccurate or misleading.

19.5. The Fund Manager shall promptly notify the Customer in writing of changes in the portfolio managers primarily responsible for the Portfolio or in senior staff responsible for setting the investment and business policy of the Fund Manager. The Fund Manager will provide, within 5 days from the signing date of this Management Agreement, a list with all employees, portfolio managers, the main persons with responsibilities in respect to the Portfolio, and senior staff responsible for setting the business and investment policy within the Fund Manager.

19.5. The Fund Manager shall promptly notify the Customer in writing of changes in the portfolio managers primarily responsible for the Portfolio or in senior staff responsible for setting the investment and business policy of the Fund Manager. The Fund Manager will provide yearly, within 30 days from the beginning of the calendar year, a list with portfolio managers, the main persons with responsibilities in respect to the Portfolio, and senior staff responsible for setting the business and investment policy within the Fund Manager. In case of a need to change a portfolio manager or a main person with responsibilities in respect of the Portfolio, the replacement shall have equal or superior qualifications and professional experience and similar time allocation for the Customer.

FSA endorsed the text under condition to be reworded and reapproved by shareholders. The text suggested by FSA is:

“The Fund Manager shall promptly notify the Customer in writing of changes in the portfolio managers primarily responsible for the Portfolio or in senior staff responsible for setting the investment and business policy of the Fund Manager.

The Fund Manager will provide yearly, within 30 days from the beginning of the calendar year, a list with portfolio managers, containing at least those proposed in the initial offer submitted during the international tender for the appointment of the company managing S.C. “Fondul Proprietatea” S.A. and who work within the Fund Manager, the main persons with responsibilities in respect to the Portfolio, and senior staff responsible for setting the business and investment policy within the Fund Manager.

FSA obliges FP to organize a new EGM and to ask the shareholders to vote the new text

		<i>In case of a need to change a portfolio manager or the main persons with responsibilities in respect of the Portfolio, the replacement shall have equal or superior qualifications and professional experience and similar time allocation for the Customer.”</i>	
<p>20. TRANSITORY AND FINAL PROVISIONS</p> <p>20.1 If any of the provisions of this Management Agreement is held to be invalid or unenforceable, or impossible to perform, such invalidity, unenforceability or impossibility shall not affect any other provisions of this Management Agreement, and this Management Agreement shall be construed and enforced as if such invalid, unenforceable or impossible to perform provisions had not been included.</p> <p>20.2. The personnel proposed by the Fund Manager in the initial offer submitted during the international tender for appointing the fund manager for Fondul Proprietatea S.A. cannot be modified unless deemed necessary for reasons outside the Fund Manager’s reasonable control. In case of such a need to change the personnel, the Fund Manager shall promptly appoint other personnel with equal or superior qualifications and professional experience and with the same time allocation for the Customer upon written approval of the BoN.</p> <p>21. SIGNATORIES</p> <p>This Management Agreement will be signed in Romanian language and executed in (...) number of counterparts, all of which taken together constitute the agreement.</p> <p>AS WITNESS the hands of the duly authorised representatives of the parties on the date which appears first on page 1.</p>	<p>20.2. We propose to delete this clause because we added this idea after 19.5.</p>	<p>FSA endorsed this change without comments.</p>	<p>This change is in force beginning with 12 August 2013, the date when was endorsed by FSA.</p>
<p>Annex 1</p> <p>The fee due to the Fund Manager in accordance with Art. 9.1. of this Agreement shall be calculated and paid in RON by the Customer in compliance with the following provisions:</p> <p>1. The fee shall be calculated based on a fixed commission, mentioned below, applied to the notional amount according to the following formula: The fee = the fixed commission multiplied by the notional amount, multiplied by the number of calendar days of payment divided by 365. where the fixed commission = the number of basis points per year; 1 basis point = 0.0001; 1 year = 365 days The fixed commission per year is composed of: - Fixed management fee of 37.9 (thirty seven point nine) basis points per year - Additional administration fee of 10 (ten) basis points per year.</p> <p>2. The notional amount is the following: a) prior to the Customer listing, the notional amount is the average of the monthly values of the Customer’s net assets, calculated within the quarter for which the payment is made; b) subsequent to the Customer listing by 31 December 2011, the notional amount is the market value of the Property Fund which is defined as the market capitalization of the Property Fund (the number of issued shares multiplied by the medium market price of the Property Fund shares calculated for the last 90 days of trading session in a calendar year or the number of the trading sessions left before the end of the year, in case there are</p>			

<p>less than 90 days of trading session left from the listing until the end of the year),</p> <p>c) Beginning with 1 January 2012 the notional amount subsequent to the Customer listing is the market value of the Property Fund which is defined as the market capitalization of the Property Fund (the number of issued shares multiplied by the average market price of the Property Fund shares calculated for the last quarter).</p> <p>3. The fee shall be paid as follows:</p> <p>a) prior to the Customer listing, 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;</p> <p>b) subsequent to the Customer listing by 31 December 2011, annually, based on the invoices to be issued by the Fund Manager within twenty (20) business days following the end of the calendar year for which payment is made;</p> <p>c) Beginning with 1 January 2012, the 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.</p> <p>The invoices shall be submitted to the Depositary of the Customer`s assets.</p> <p>The Fund Manager shall provide to the Board of Nominees quarterly and on an annual basis and upon request of the Board of Nominees (where appropriate) a detailed report including regarding the fee collected under this Agreement, in the form required by the latter.</p> <p>4. The payment shall be done by the Fund Manager only after the verification and certification by the Depositary of the correctness of the notional amount, as well as the modalities for determining the fee.</p> <p>The payment shall be done within 30 business days since receipt of the invoice.</p>			
<p>Annex 2</p> <p>TERM SHEET FOR MANAGEMENT FEE CHANGES</p> <p>Where Excess Distributions (as defined further below) are made by the Customer¹ to all Shareholders (or offered to Shareholders generally) (but only to the extent such Excess Distributions are made or irrevocably declared) whether by way of purchases of own shares for the purpose of cancellation, special dividends or other distributions, an additional management fee will be payable by the Customer to the Fund Manager² as set out below.</p> <p>Special dividends are dividends paid by the Customer in excess of annual net profits, excluding pre-tax gains on disposal of equity investments, less amounts allocated to Legal Reserves, as per the approved audited financial statements prepared in accordance with Romanian Accounting Regulations (namely CNVM Regulation 4/2011, as subsequently amended and completed).</p> <p>Any purchase of own shares for the purpose of cancellation and any distributions of other assets to Shareholders generally will also be considered Excess Distributions (but not distributions by a</p>			<p>This annex was approved by shareholders and the Addendum 2 was signed by parties, but CNVM has not approved this change.</p>

¹ Under the Investment Management Agreement "Customer" means SC Fondul Proprietatea SA

² Under the Investment Management Agreement "Fund Manager" means Franklin Templeton Investment Management Limited United Kingdom

liquidator/administrator -or the equivalent- on a winding up).

The additional management fee (exclusive of any VAT, where applicable), will be payable by the Customer to the Fund Manager in respect of any Excess Distribution in cash in an amount equivalent to a fixed percentage of the value of the Excess Distribution as follows:

For Excess Distributions that are executed before 31 December 2012	1.5%	of the Excess Distribution
For Excess Distributions that are executed in calendar year 2013	1.5%	of the Excess Distribution
For Excess that are executed after calendar year 2013 and before termination of the IMA	1.0%	of the Excess Distribution

For clarification purposes, the Excess Distributions used in the computation of the above-mentioned additional fees will be defined as follow:

- For special dividends, Excess Distribution(s) will represent the gross special dividends (as defined above) distributed to Shareholders;
- For purchases of own shares, Excess Distribution(s) will represent the acquisition price of the own shares purchased (excluding any brokerage fees payable by the Customer in relation to these purchases);
- For share capital decreases using reductions in nominal value of shares, the aggregate amount distributed to Shareholders (gross of any applicable taxes);
- For other distributions of assets (such as securities and other non-cash assets), Excess Distribution(s) will represent the value of those assets. Where the assets are listed securities, the value shall be based on the closing price of these securities quoted by the relevant exchange at the ex-rights date (i.e. the first date when a person acquiring the Customer's shares will no longer be eligible to receive the distribution). For all other assets, the value of the asset shall be determined by an independent valuation expert and approved by Shareholders.

The Excess Distribution(s) are deemed to have been made at the following times:

- For special dividends, at ex-dividend date;
- For a purchase of own shares, the date when the purchase transactions are settled;
- For share capital decrease using reductions in nominal value of shares, when such distributions become available to Shareholders;
- For other distributions, at the ex-rights date.

These additional fees will be paid by the Customer in addition to the fees defined in the Annex 1 to the Management Agreement.

Such additional fees will be payable by the Customer within 30 business days of receipt of a valid invoice from the Fund Manager. The Fund Manager will issue the invoice no later than 20 business days following the end of the quarter in which the relevant Excess Distributions are executed. The value of Fund Manager's invoice must be certified by the Customer's Depositary before it is formally submitted to the Customer.

Translation from Romanian

logo
ROMANIA
FINANCIAL SUPERVISORY AUTHORITY

**FINANCIAL SUPERVISORY AUTHORITY
FINANCIAL INSTRUMENTS AND INVESTMENTS
SECTOR**
2, Foişorului Street, 3rd District, Bucharest
Ph.: 021 – 326.67.11; 326.67.12; 326.67.13
Ph.: 021 – 326.68.48; 326.68.49

**DIRECTORATE FOR AUTHORIZATION AND SUPERVISION OF REGULATED ENTITIES
SERVICE FOR AUTHORIZATION AND MONITORING OF INTERMEDIARIES AND
INSTITUTIONS ON THE MARKET**

Seal: S.C. FONDUL PROPRIETATEA S.A., Input no. 2267/12th of August 2013

*Seal: Financial Supervisory Authority, General Register Office, Output no. A/6159, 12th of August 2013,
13.30 p.m., DA-SER*

To

**FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LTD
UNITED KINGDOM – BUCHAREST BRANCH**

**78-80, Buzzeşti Street, 7th and 8th floors, Premium Point
1st District, 011017, Bucharest, Romania
Fax: 00 40 200 96 31/32**

In attn. to Mr. Grzegorz Konieczny – director

Dear Sir,

Further to your addresses, registered at the Financial Supervisory Authority under no. A/2977/29th of May 2013 and under no. A/1058/09th of May 2013, supplemented by addresses no. A/3181/30th of May 2013, no. A/3492/03rd of June 2013, no. A/6989/16th of July 2013 and no. A/7661/25th of July 2013, whereby you requested the endorsement of the Constitutive Act and of the Addendum no. 3 to the Management Agreement entered into by S.C. Fondul Proprietatea and by Franklin Templeton Investment Management Limited United Kingdom – Bucharest Branch, as approved through the Resolution of the Ordinary General Meeting of Shareholders no. 3 and through the Resolutions of the Extraordinary General Meeting of Shareholders nos. 1-7 of S.C. Fondul Proprietatea S.A. dated the 25th of April 2013, please find enclosed the Approvals of the Financial Supervisory Authority no. 28/12th of August 2013 and no. 29/12th of August 2013.

Concurrently, given the fact that a great part of the submitted amendments have been repeatedly brought to the attention of the capital market Authority and that the respective Authority has already

Translation from Romanian

provided an answer in relation to such, either through the acceptance or through the rejection of the respective amendments (some of them not being submitted any more for the shareholder's approval during the General Meetings of Shareholders), we hereby draw your attention to the fact that, for the future, the opinion of the Authority, respectively that of the shareholders, will be requested only in relation to the new amendments, which did not make the object of certain previous requests and in relation to which the Authority did not already express its opinion.

Respectfully,

HEAD OF DEPARTMENT

Claudia Cătălina SAVA

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Seal: Financial Supervisory Authority, Romania

Translation from Romanian**APPROVAL No. 28 / 12th of August 2013**

On the grounds of the provisions of art. 1, paragraph (2), of art. 2, paragraph (1) letter a) and letter d), of art. 3, letter a) and of art. 6, paragraphs (1) and (3) and of art. 27 of the G.E.O. no. 93/2012 regarding the establishment, organization and functioning of the Financial Supervisory Authority, as approved with amendments and supplements by Law no. 113/2013, with further amendments and supplements

in accordance with the provisions of art. 14 of Regulation no. 4/2010 of C.N.V.M. regarding the registration with the Romanian National Securities Commission and the functioning of the Trade Company “Fondul Proprietatea” S.A., as well as the trading of shares issued by the latter,

given the request of S.C. Fondul Proprietatea S.A., registered at the Financial Supervisory Authority under no. 1058/09th of May 2013, supplemented by the addresses registered under no. 3181/30th of May 2013, no. 6989/16th of July 2013 and no. 7661/25th of July 2013,

considering the provisions of art. 208, paragraph (1) of the Company Law no. 31/1990, as republished, with further amendments and supplements,

“The share capital decrease will be possible only after the passage of two months from the day of publishing of the resolution in the Official Gazette of Romania, Part IV.”

Whereas, according to the address registered at the Financial Supervisory Authority under no. 7661/25th of July 2013, Franklin Templeton Investment Management Ltd. United Kingdom – Bucharest Branch notified the publishing in the Official Gazette of Romania, Part IV, on the 22nd of July 2013, of the Resolutions of the Extraordinary General Meeting of Shareholders nos. 1-7 dated the 25th of April 2013, and the fact that *“on the 24th of July 2013, one shareholder lodged requests for intervention for blocking the registration with the Trade Register”*,

based on the analysis carried out by the specialty directorates,

on the grounds of the Decision of the Romanian Parliament no. 54/18th of June 2013 for the appointment of the members in the Financial Supervisory Authority’s Board,

further to the deliberations during the meeting of the Financial Supervisory Authority’s Board, held on the 7th of August 2013,

the Financial Supervisory Authority hereby issues the following:

APPROVAL

Art. 1 Approval is hereby granted in relation to the amendments made to the Constitutive Act of S.C. Fondul Proprietatea S.A., in accordance with the Resolutions of the Extraordinary General Meeting of Shareholders dated the 25th of April 2013, with the amendments laid down in the Appendix, which is

Translation from Romanian

an integral part of this Approval, except for the amendment set forth in art. 7, paragraph (1) of the Constitutive Act.

Art. 2 The Financial Supervisory Authority will approve the amendment laid down in art. 7, paragraph (1) of the Constitutive Act only after the expiry of the period stipulated in art. 208, paragraph (1) of the Company Law no. 31/1990, as republished, with further amendments and supplements.

Art. 3 S.C. Fondul Proprietatea S.A. will submit for approval on occasion of the next Extraordinary General Meeting of Shareholders, the Constitutive Act amended in accordance with the Appendix to this Approval.

Art. 4 This Approval becomes effective on the date of servicing thereof to S.C. Fondul Proprietatea S.A. and it will be published in the electronic form of the Bulletin of the Financial Supervisory Authority.

President,

DAN RADU RUȘANU

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Seal: Financial Supervisory Authority, Romania

Translation from Romanian

Appendix to the Approval of the Financial Supervisory Authority no. 28/12th of August 2013

Sole Article: The Constitutive Act will be amended in the following way:

1. Art. 12, paragraph (2), letter d) will be amended and will read as follows:

“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. Art. 14, paragraph (10) will be amended and will read as follows:

“(10) The documents referring to the convocation, the lists of attending, as well as, as the case may be, the powers of attorney of the representatives of the shareholders shall be attached to each minutes.”

3. Art. 14, paragraph (19) will be amended and will read as follows:

“(19) The votes of the shareholders will be sent electronically or by letter with receipt acknowledgement to the headquarters of Fondul Proprietatea, in a clear and precise form, noting “for”, “against” or “abstained” in relation to each issue subject to approval, for which the shareholder intends to cast a vote.”

4. Art. 17, paragraphs (4), (5) and (11) will be amended and will read as follows:

“(4) Receives from the Fund Manager for analysis the annual report and the management and business policy of Fondul Proprietatea and presents an opinion to the Fund Manager and to the general meeting of the shareholders”.

“(5) Receives from the Fund Manager, for analysis, the yearly income and expenditure budget and the business plan before it is submitted to the approval of the general meeting of the shareholders and presents an opinion to the Fund Manager and to the general meeting of the shareholders”.

“(11) Monitors the following, based on information and reports received from the Fund Manager:

- the list of all portfolio investments and percentage breakdown by each investment type;*
- a list of major transactions occurring in the Fondul Proprietatea portfolio for the period under review;*
- the total profit of the portfolio and comparison of profit with the appropriate benchmark;*
- comparison of return on the portfolio with the portfolio objective;*
- the extent of compliance with the investment policy statement, any variations and actions taken to correct variations;*
- the performance evaluation report.*

all the above with the purpose of drafting and presenting, any time is requested by the shareholders, but in any case at least once a year, to the general meeting of the shareholders, a report regarding the monitoring activity performed”.

5. Art. 19, paragraph (3) will be amended and will read as follows:

Translation from Romanian

“(3) The mandate of the Fund Manager is of 4 years. The Fund Manager will call the Ordinary General Meeting of the Shareholders with at least 6 months before of the termination of the duration of the mandate of the Fund Manager with the agenda of approving the extension of the Fund Manager’s mandate or the appointing of a new Fund Manager. The Fund Manager will immediately call an Ordinary General Meeting of the Shareholders with the agenda of appointing the selected candidate as Fund Manager and authorizing negotiation and execution of the relevant fund management agreement and fulfillment of all relevant formalities for the authorization and legal completion of such appointment”.

6. Art. 21, paragraph (3), letter (vii) will be amended and will read as follows:

“(vii) proposes for the prior approval of the Board of Nominees and further, of the general meeting of the shareholders, of the yearly income and expenditure budget and business plan”.

*Translation from Romanian***APPROVAL no. 29/12th of August 2013**

On the grounds of the provisions of art. 1, paragraph (2), of art. 2, paragraph (1) letter a) and letter d), of art. 3, letter a) and of art. 6, paragraphs (1) and (3) and of art. 27 of the G.E.O. no. 93/2012 regarding the establishment, organization and functioning of the Financial Supervisory Authority, as approved with amendments and supplements by Law no. 113/2013, with further amendments and supplements,

in accordance with the provisions of art. 14 of Regulation no. 4/2010 of C.N.V.M. regarding the registration with the Romanian National Securities Commission and the functioning of the Trade Company “Fondul Proprietatea” S.A., as well as the transacting of shares issued by the latter,

given the request of Franklin Templeton Investment Management Ltd United Kingdom – Bucharest Branch, registered at the Financial Supervisory Authority under no. A.2977/29th of May 2013, supplemented by the addresses no. A. 3492/03rd of June 2013, no. A.6989/16th of July 2013 and no. A.7661/25th of July 2013,

based on the analysis carried out by the specialty directorates,

on the grounds of the Decision of the Romanian Parliament no. 54/18th of June 2013 for the appointment of the members in the Financial Supervisory Authority’s Board,

further to the deliberations during the meeting of the Financial Supervisory Authority’s Board, held on the 7th of August 2013,

the Financial Supervisory Authority hereby issues the following:

APPROVAL

Art. 1 Approval is hereby granted in relation to the amendments made to the Management Agreement entered on the 25th of February 2010 by S.C. Fondul Proprietatea S.A. and Franklin Templeton Investment Management Ltd United Kingdom – Bucharest Branch, in accordance with the Addendum no. 3/17th of May 2013 concluded by the two parties based on the Resolution of the Ordinary General Meeting of Shareholders no. 3/25th of April 2013, with the amendments laid down in the Appendix which forms an integral part of this Approval.

Art. 2 S.C. Fondul Proprietatea S.A. will submit for approval on occasion of the next Ordinary General Meeting of Shareholders, the addendum no. 3/17th of May 2013, in accordance with the Appendix to this Approval.

Art. 3 This Approval becomes effective on the date of servicing thereof to S.C. Fondul Proprietatea S.A. and it will be published in the electronic form of the Bulletin of the Financial Supervisory Authority.

Translation from Romanian

President,

DAN RADU RUȘANU

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Seal: Financial Supervisory Authority, Romania

Appendix to the Approval of the Financial Supervisory Authority no. 29/12th of August 2013

Sole Article: The Management Agreement concluded on the 25th of February 2010 will be amended in the following way:

1. Point 6.1, letters (vi) and (vii) will be amended and will read as follows:

(vi) preparing an annual report on the management and the business policy of Fondul Proprietatea, to be presented to the Board of Nominees for approval prior to its submission to the general meeting of the shareholders;

(vii) proposing for the prior approval of the Board of Nominees and further, of the general assembly of the shareholders, of the yearly income and expenditure budget and business programme of Fondul Proprietatea;

2. Point 9 will be amended and will read as follows:

9. Fund Manager remuneration and expenses

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

3. Point 9.2, letter (e) will be amended and will read as follows:

e) expenses related to the admission to trading of the financial instruments issued by Fondul Proprietatea, and any subsequent issues or offerings, expenses with intermediaries arranging the listing, expenses related to marketing and arranging presentations for the public offer to build investor interest, and expenses related to ongoing reporting and disclosure obligations applicable to an issuer admitted to trading on a regulated market;

4. Point 9.2, letters (f), (g), (h), (r) and (s) will be eliminated.

5. Point 9.2, letter (t) will be amended and will read as follows:

o) other expenses approved by the BoN for the Customer in accordance with the Constitutive Act.

6. Point 19.5 will be amended and will read as follows:

The Fund Manager shall promptly notify the Customer in writing of changes in the portfolio managers primarily responsible for the Portfolio or in senior staff responsible for setting the investment and business policy of the Fund Manager.

The Fund Manager will provide yearly, within 30 days from the beginning of the calendar year, a list with portfolio managers, containing at least those proposed in the initial offer submitted during the international tender for the appointment of the company managing S.C. "Fondul Proprietatea" S.A. and

Translation from Romanian

who work within the Fund Manager, the main persons with responsibilities in respect to the Portfolio, and senior staff responsible for setting the business and investment policy within the Fund Manager.

In case of a need to change a portfolio manager or the main persons with responsibilities in respect of the Portfolio, the replacement shall have equal or superior qualifications and professional experience and similar time allocation for the Customer.