



To **Bucharest Stock Exchange**  
**Romanian National Securities Commission**

*The current report according to Art. 113 point A, paragraph (1) letter b) of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and completed, as well as the provisions of art. 99 in the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments*

<b>Report date:</b>	16 March 2012
<b>Name of the issuing entity:</b>	SC Fondul Proprietatea SA
<b>Registered office:</b>	78-80 Buzesti St., 7 <sup>th</sup> floor, district 1, Bucharest, postal code 011017
<b>Phone/fax number:</b>	Tel.: + 40 21 200 9600 Fax: + 40 21 200 9631
<b>Sole Registration Code with the Trade Register Office:</b>	18253260
<b>Order number in the Trade Register:</b>	J40/21901/2005
<b>Subscribed share capital:</b>	RON 13,778,392,208
<b>Paid share capital:</b>	RON 13,412,554,856
<b>Regulated market on which the issued securities are traded:</b>	Bucharest Stock Exchange

**Important events to be reported: S.C. Fondul Proprietatea SA ("The Fund") - Convening notice for the Extraordinary and Ordinary General Shareholders' Meeting to be held on 25 April 2012**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity of Sole Administrator and Fund Manager of the Fund hereby publishes the Convening notice of Fondul Proprietatea's Extraordinary and Ordinary General Shareholders Meeting to be held on 25 April 2012, approved by the Board of Nominees during the meeting held on 16 March 2012, as reflected in the Annex.

**Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch, in capacity of Sole Administrator of S.C. FONDUL PROPRIETATEA S.A.**

**For the Legal Representative**

**Valeria NISTOR**

**Head of Legal**

**Empowered by the Decision of the Sole Administrator of S.C. FONDUL PROPRIETATEA S.A., Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch no. 4/02.03.2012**



**CONVOCAION OF THE EXTRAORDINARY AND ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF  
S.C. FONDUL PROPRIETATEA S.A.**

Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, with its headquarters in Bucharest, 78-80 Buzesti St., 7<sup>th</sup> and 8<sup>th</sup> floors, 1<sup>st</sup> District, registered with the Trade Register under no. J40/8587/2009, with Sole Registration Code RO 25851096, registered with the Public Register of the National Securities Commission (CNVM) under no. PJM05SSAM/400001 as a branch of an Investment Management Company from a Member State, as Sole Administrator of S.C. FONDUL PROPRIETATEA S.A., a trading joint-stock company, organized as a closed-end investment company, with its headquarters in Bucharest, 78-80 Buzesti St., 7<sup>th</sup> floor, 1<sup>st</sup> District, registered with the Trade Register under no. J40/21901/2005, with Sole Registration Code 18253260, with a subscribed registered share capital of RON 13,778,392,208 and a paid-up share capital of RON 13,412,554,856 (the Company),

**Considering**

- The provisions of Articles 12 - 13 of the Company's Constitutive Act;
- The provisions of Law no. 31/1990 on trading companies, republished, with its subsequent amendments and additions (Law 31/1990);
- The provisions of Law no. 297/2004 on the capital market, with its subsequent amendments and additions (Law 297/2004);
- The provisions of Articles 147-158 of CNVM Regulation no. 15/2004 on the authorization and operation of investment management companies, of collective investment undertakings, and of trustees, with its subsequent amendments and additions;
- The provisions of CNVM Regulation no. 6/2009 on exercising certain rights of the shareholders at the general meetings of trading companies, with its subsequent amendments and additions (Regulation 6/2009);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of 'Fondul Proprietatea' SA trading company, as well as on the transactions with shares issued by this company;

**Convokes:**

- I. The Extraordinary General Meeting of Shareholders (EGM) of S.C. Fondul Proprietatea S.A. for 25 April 2012, 10.30 am (Bucharest hour), at Hotel Radisson, 63-81 Victoriei Road, Atlas I+II Room, 1<sup>st</sup> district, Bucharest.
- II. The Ordinary General Meeting of Shareholders (OGM) of S.C. Fondul Proprietatea S.A. for 25 April 2012, 11.30 am (Bucharest hour), at Hotel Radisson, 63-81 Victoriei Road, Atlas I+II Room, 1<sup>st</sup> district, Bucharest.

Only the shareholders who are registered as shareholders of the Company on 09 April 2012 ('reference date') in the register of shareholders kept by S.C. Depozitarul Central S.A., have the right to participate and vote at the EGM and OGM.

**III. The agenda of EGM is as follows:**

1. The appointment of the meeting secretary among the shareholders of the Company and designation of the technical secretary.
2. The approval of the EGM agenda.



3. The approval of the authorization of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch in order to buy-back shares of S.C. „Fondul Proprietatea” S.A., for a maximum number of 1,100,950,684 shares that will be repurchased during the period of 18 months after the shareholders resolution is published in Official Gazette, Section IV, at a price that cannot be lower than RON 0.2 / share or higher than RON 1.5 / share. The nominal value of the own shares repurchased by the Company cannot exceed RON 1,100,950,684. The transaction can only have as object fully paid shares. The buy-back programme has as object the share capital decrease. The shareholders’ decision regarding the share capital decrease and the change of the Constitutive Act will be approved by shareholders, with the respect of the Constitutive Act, after the buy-back programme is completed. The buy-back programme execution will be subject to the availability of the necessary cash.
4. The empowerment, with authority to be substituted, of Mr. Grzegorz Maciej Konieczny, as legal representative of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, to sign the shareholders’ resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders’ resolution, including formalities for publication and registration thereof with the Trade Register or with any other public institution.
5. The approval of 14 May 2012 as the registration date, in accordance with the provisions of Article 238, Paragraph (1) of Law no. 297/2004.

**IV. The agenda of OGM is as follows:**

1. The appointment of the meeting secretary among the shareholders of the Company and designation of the technical secretary.
2. The approval of the OGM agenda.
3. The approval of the Annual Activity Report of Sole Administrator of SC Fondul Proprietatea SA for the financial year 2011, including the financial statements for the year ended on 31 December 2011 prepared in accordance with the Romanian Reporting Standards, the approval of the report of auditor and the discharge of Sole Administrator. At this point it will be presented the annual report of Board of Nominees, for the information of shareholders.
4. The approval of net profit allocation for the financial year 2011 and the approval of the value of gross dividend proposed is RON 0.03854 per share. The Company will start the payment of dividends beginning with 29 June 2012.
5. The empowerment, with authority to be substituted, of Mr. Grzegorz Maciej Konieczny, as legal representative of FTIML Bucharest Branch to sign the shareholders’ resolutions, as well as any other documents in connection therewith and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders’ resolutions, including formalities for publication and registration thereof with the Trade Register or with any other public institution.
6. The approval of 14 May 2012 as registration date, in accordance with the provisions of Article 238, paragraph (1) of Law no. 297/2004.

If the conditions for holding the EGM or the OGM are not met on the date of the first convocation thereof, a new EGM and / or OGM, if the case, shall be convoked for 26 April 2012, at 10.30 (Bucharest hour) for EGM and at 11.30 (Bucharest hour) for OGM. Each of them, EGM and / or OGM shall have the same agenda. If there is a new convocation, the reference date set for identifying the shareholders entitled to participate and vote



at the EGM and OGM is the same - 9 April 2012. OGM and EGM shall take place at the address: **Bucharest, Hotel Radisson Blue, 63-81 Victoriei Road, Atlas I+II Meeting Place, 1<sup>st</sup> district.**

In accordance with the provisions of Article 117, paragraph 1, of Law 31/1900, Article 7 paragraph 1 of CNVM Regulation 6/2009, and with the provisions of Article 13, paragraph 5, of the Company's Constitutive Act, one or several shareholders, representing individually or together at least 5% of the registered share capital of the Company, may request through a request submitted to the Sole Administrator of the Company, the introduction of additional issues on the agenda of EGM and/or OGM and / or the presentation of draft of resolutions for the items included or proposed to be included on the agenda of the EGM and/or OGM. These suggestions must comply, cumulatively, with the following conditions:

- a) For individuals, they must be accompanied by copies of the identity documents of the shareholders (identification document or identification card), and for legal entities the copy of the identity document of the legal representative (identification document or identification card), and the certificate issued by the Trade Register within the last 365 days;
- b) They must be accompanied by a justification and/or by a draft of resolution submitted for adoption, and
- c) They must be sent by any type of courier, with proof of delivery and registered at the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, or by e-mail with the extended electronic signature incorporated, in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro) by 4 April 2012.

Each shareholder, irrespective of how many shares it owns in the registered share capital, has the right to ask questions regarding the issues on the agenda of the general meetings. The questions shall be sent to the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017 or by e-mail at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro) by 23 April 2012, 10.30 am (Bucharest hour). The Company shall answer the questions asked by the shareholders during the meetings, questions which shall be subsequently posted, together with their answers, on the website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

Starting with 23 March 2012, all the information materials regarding the issues included on the agenda of EGM and OGM, the resolution drafts proposed for adoption at the general meetings, the special power of attorney forms, the forms for the vote by correspondence, and the general procedure for organizing general meetings (including the procedure for voting through a representative and the procedure which allows the vote by correspondence), shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, from 09.00 to 17.00 (Bucharest hour), as well as on the official website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro). The shareholders of the Company may receive, upon request, copies of the documents related to the issues on the agenda of EGM and OGM.

The shareholders registered in the register of shareholders on the reference date may attend the EGM and/or OGM and vote in person, through a representative, or by correspondence.

The detailed procedure regarding the organization of general meeting of shareholders is available on the Internet page of the Company [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro) and includes the proxy voting procedure and voting by correspondence.

The access of the shareholders entitled to participate to the EGM and/or OGM is allowed with the simple proof of their identity [for natural persons, with the identity document; for legal persons, with a copy of the registration certificate or the equivalent thereof and with the identity document of the legal representative, or, as applicable, with the documents certifying the status of legal representative of the legal person, as well as with the special power of attorney and the documents certifying the status of legal representative of the legal person of the signatory of said power of attorney (if the legal representative of the Company does not participate to the EGM and/or OGM)].



The status of legal representative (applicable to all forms of exercising the vote) is proven by the presence of a certificate issued by the Trade Register (or by the Register of Companies in the country of residence of the shareholder foreign legal person), in its original counterpart, issued within no more than 365 days before the date of the first convocation of the EGM and/or OGM. The documents submitted in a foreign language other than English (except for the identity documents valid in Romania), shall be accompanied by their translation in Romanian or in English. For the natural persons who are collective shareholders, a special power of attorney stating the designation of a sole representative and copies of the identity documents of the shareholders shall be submitted.

At EGM and/or OGM, the shareholders can be represented only by filling in and signing the form for the special power of attorney. The special power of attorney can be sent to the Company's headquarters in Bucharest, 78-80 Buzesti Street 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, in original, by any form of courier, with proof of delivery, or by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro), by 23 April 2012, 10.30 am (Bucharest hour). The special power of attorney are considered if they are registered at the Company's headquarters by 23 April 2012, 10.30 am (Bucharest hour), subject to the sanction of losing the right to vote by representative at the EGM and/or OGM. The shareholders can be represented by other shareholders, or by third parties. The shareholder with no exercise ability may grant a special power of attorney to other people. The representatives of the Company cannot be granted a power of attorney to represent shareholders at the EGM and/or OGM. In the procedure regarding the organization of the general meetings of shareholders, the procedure for the vote by representation shall be detailed, and the shareholders are bound to comply with this procedure, subject to the sanction of losing the right to vote by representative at the EGM and/or OGM. If the legal conditions for holding the EGM and / or the OGM are not met on the date of the first convocation thereof, the deadline for sending the new special power of attorney for the new EGM and / or OGM, if it is the case, is 23 April 2012, 10.30 am (Bucharest hour).

The special power of attorney form:

- a) Shall be made available to the Company's shareholders starting 23 March 2012 at the same coordinates and under the same conditions as the information materials;
- b) Shall be drafted by the Company in a clear and exact written format, in accordance with the applicable legislation, and shall enclose the manner of identifying the status as shareholder and the number of shares owned, as well as the specification for the vote 'for' or 'against' or 'abstention' for each of the issued under approval;
- c) shall be updated by the Company if new issues are added to the agenda of the EGM and/or OGM;
- d) shall be filled in by the shareholder in three counterparts: one for the shareholder, one for the representative, and one for the Company;
- e) shall be sent by the shareholder, together with a copy of the shareholder's identity document, for natural persons, or with the copy of the registration certificate or the equivalent thereof and of the identity document of the legal representative, for legal persons.

The vote of the shareholders at the EGM and/or OGM can also be expressed by correspondence, by filling in and signing the forms for the vote by correspondence. The forms for the vote by correspondence will be sent, by any form of courier, with proof of delivery, in original, to the Company's headquarter in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, or by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro), by the 23 April 2012 10.30 am (Bucharest hour). The forms for the vote by correspondence are considered if they are registered at the Company's headquarters by 23 April 2012, 10.30 am (Bucharest hour), subject to the sanction of losing the right to vote by correspondence at the EGM and/or OGM. In the general procedure regarding the organization of the general meetings of shareholders, the procedure for the vote by correspondence shall be detailed, and the shareholders are bound to comply with this procedure, subject to the sanction of losing the right to vote by correspondence at the EGM and/or OGM. If the legal conditions for holding the EGM and / or the OGM are not met on the date of the first convocation



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thereof, the deadline for sending the new special power of attorney for the new EGM and / or OGM, if it is the case, is 23 April 2012, 10.30 am (Bucharest hour).

The form of the vote by correspondence:

- a) shall be made available to the Company's shareholders starting 23 March 2012 at the same coordinates and under the same conditions as the information materials and the forms for the special power of attorney;
- b) shall be drafted by the Company in a clear and exact written format, in accordance with the applicable legislation, and shall enclose the manner of identifying the status as shareholder and the number of shares owned, as well as the specification for the vote 'for', 'against' or 'abstention' for each of the issued under approval;
- c) shall be updated by the Company if new issues are added to the agenda of the EGM and/or OGM;
- d) shall be sent by the shareholder, together with a copy of the shareholder's identity document, for natural persons, or with the copy of the registration certificate or the equivalent thereof and of the identity document of the legal representative, for legal persons.

The checking and validation of the special powers of attorney submitted, as well as the centralization, checking, validation, and records of the votes by correspondence, shall be performed by a commission organized within the Company, and the members of this commission are to safe keep these documents, as well as protect the confidentiality of the votes expressed like that.

Additional information may be requested from the Department for the Services related to the Relationship with the Shareholders, at the phone number 021-200 96 28 or on the Company's website: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

Oana Valentina Truta

Legal Representative

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