

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

Current report according to Article 113 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 Article 99 of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

**Important events to be reported:**

## **Endorsement of several amendments to the Constitutive Act by the Financial Supervisory Authority**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("**the Fund Manager**"), in its capacity as sole administrator and fund manager of Fondul Proprietatea SA ("**the Fund**"), would like to inform shareholders that the Financial Supervisory Authority ("**the FSA**"), by Notice no. 75/25 June 2014, endorsed several amendments to the Fund's Constitutive Act approved by the Fund's shareholders on February and April 2014 general meetings.

Among these, we highlight the endorsement without any amendments of (i) the decrease of the subscribed share capital (as reported yesterday) from RON 13,538,087,407 to RON 12,861,183,036.65 and distribution to the shareholders of the decreasing value in amount of RON 0.05/share (as approved by the Shareholders' Resolution no. 2/3 February 2014) and (ii) the amendment of Article 19 para. (1) of the Constitutive Act (as approved by the Shareholders' Resolution no. 4/28 April 2014 and referring to some of the Fund's manager identification details).

Two other changes to the Constitutive Act were endorsed with amendments, with the obligation of the Fund Manager to submit them to the shareholders' approval in the amended version endorsed by the FSA. Please find below the full English translation of the FSA's Notice no. 75/25 June 2014.

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

**Oana Valentina Truta  
Legal Representative**

**Report date:**

26 June 2014

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**Registered office:**

78-80 Buzesti St.,  
7<sup>th</sup> 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 12,861,183,036.65

**Paid share capital:**

RON 12,515,396,724.25

**Regulated market on which the  
issued securities are traded:**

Bucharest Stock Exchange

*Annex*

*Translation from Romanian*

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*Stamp applied: Financial Supervisory Authority  
Exit no. 31/DAS 5499.1  
June 25<sup>th</sup> 2014*



REGULATED ENTITIES' SUPERVISION AUTHORIZATION DIVISION  
FINANCIAL INSTRUMENTS AND INVESTMENTS SECTOR

*Stamp applied: S.C. FONDUL PROPRIETATEA S.A.  
Entry no. 1206 of June 25<sup>th</sup> 2014*

To

**FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED**  
**United Kingdom Bucharest Branch**  
**78-80 Buzesti street, floors 7 and 8, Premium Point**  
**1<sup>st</sup> district, 011017, Bucharest, Romania**  
**Fax: 021.200.96.31/32**

*Mrs. Oana Valentina Truta – Manager*

*Dear Madam,*

Referring to SC Fondul Proprietatea SA addresses, registered with F.S.A. as follows:

- no. RG/36599/17.04.2014, supplemented by addresses no. RG/41476/30.04.2014 and no. RG/59560/17.06.2014,
- no. RG/47691/15.05.2014, supplemented by address no. RG/53871/29.05.2014,

we hereby attach, in original, F.S.A. notice no. 75/25.06.2014.

**Sincerely yours,**

Head of Department  
Claudia Catalina SAVA  
*Illegible signature*  
*Stamp of FSA applied*

**FINANCIAL SUPERVISORY AUTHORITY**  
**NOTICE NO. 75/25.06.2014**

Based on the provisions of art. 1 line (2), art. 2 line (1) let. a) and d), art. 3 let. a), art. 6 lines (1) and (3), art. 14 and art. 27 of the Government Emergency Ordinance no. 93/2012 on the set up, organization and operation of the Financial Supervisory Authority (named hereinafter F.S.A.), approved with the amendments and supplementing by Law no. 113/2013, with the further amendments and supplementing,

according to the provisions of art. 14 of C.N.V.M. Regulation no. 4/2010 on the registration with the National Securities Commission and operation of the Trade Company “Fondul Proprietatea” S.A., as well as on trading the shares issued by it, with the further amendments and supplementing,

considering the request of S.C. Fondul Proprietatea S.A. registered with FSA under the no. RG/36599/17.04.2014, supplemented by addresses no. RG/41476/30.04.2014 and RG/59560/17.06.2014,

considering the request of S.C. Fondul Proprietatea S.A. registered with FSA under the no. RG/47691/15.05.2014, supplemented by addresses no. RG/53871/29.05.2014,

considering the fact that the amendment of art. 9 line (2) of S.C. Fondul Proprietatea S.A. Articles of Incorporation was not subject to shareholders’ approval during the GEMS of 03.02.2014 and considering that the provisions of the concerned article refer only to the updates imposed following the change of nominal value of S.C. Fondul Proprietatea S.A. shares,

considering the provisions of art. 10 line (2) of the Law no. 247/2005 on reform in ownership and justice field, as well as certain related measures, with the further amendments and supplementing, according to which:

*“By derogation from the provisions referring to the increase of the share capital and the exercise of the right of first refusal provided by Law no. 297/2004, with the further amendments and supplementing, and from the provisions referring to the increase of the share capital and the exercise of the right of first refusal provided by Law no. 31/1990, republished, with the further amendments and supplementing, the increase of Fondul Proprietatea share capital, in cash or in kind, from the sources provided at art. 9 line (2), art. 91 line (5) or art. 10 line (1), or from other sources made available by the Romanian state based on this law or the regulations issued in its application, shall be rightfully performed, by decision of the Board of Nominees of Fondul Proprietatea and without being necessary the approval of the general meeting of shareholders, without promoting any public offer and without any issue prospectus, as follows: (...)*

*b) after the registration of Fondul Proprietatea with the National Securities Commission – by observing the right of first refusal of existing shareholders, the new issued shares following to be granted at the value established according to the applicable regulations of the national Securities Commission.”*

based on the Parliament Decision no. 60/2013 on the appointment of the members of the Financial Supervisory Authority Council, published in the Official Gazette of Romania, Part I, no. 680 of 05.11.2013,

based on the Parliament Decision no. 14/2014 on the appointment of the president and of one executive member of the Financial Supervisory Authority Council, published in the Official Gazette of Romania, Part I, no. 232 of 01.04.2014,

based on the Parliament Decision no. 26/2014 on the appointment of the prime-vice president and of one executive member of the Financial Supervisory Authority Council, published in the Official Gazette of Romania, Part I, no. 443 of 17.06.2014,

after the analysis of the specialty divisions and the deliberations during the meeting of 25.06.2014,

the Financial Supervisory Authority Council issues the following individual deed:

**NOTICE**

**Art. 1.** The amendments of Article 7 para. (1) of the Constitutive Act of S.C. Fondul Proprietatea S.A. are endorsed following the decrease of the share capital from RON 13,538,087,407 to RON

12,861,183,036.65 according to the Resolution of the General Extraordinary Meeting of Shareholders no. 2/03.02.2014.

**Art. 2.** The amendments of Article 9 para. (2) of the Constitutive Act of S.C. Fondul Proprietatea S.A. are endorsed in the form provided below: *“The nominal value of one share shall be of lei 0.95”*.

**Art. 3.** The amendments of Article 19 para. (1) of the Constitutive Act of S.C. Fondul Proprietatea S.A. are approved according to the Resolution of the General Extraordinary Meeting of Shareholders no. 4/28.04.2014.

**Art. 4.** The amendments of Article 34 of the Constitutive Act of S.C. Fondul Proprietatea S.A. are endorsed following its supplementing by paragraph (5), according to the Resolution of the General Extraordinary Meeting of Shareholders no. 5/28.04.2014, with amendments, in the form provided below:

*“(5) Fondul Proprietatea will not engage in any “raising of capital” activities, within the sense of Article 4 (1) (a) (i) of EU Directive 2011/61 as detailed by European Securities and Markets Authority’s related guidelines and interpretations, save for the situation provided by Article 10 para. (2) of Law no. 247/2005, with further amendments and supplements.”*

**Art. 5.** S.C. Fondul Proprietatea S.A. has the obligation to submit to the next General Extraordinary Meeting of Shareholders for approval the Constitutive Act amended according to Articles 2 and 4 of this Notice.

**Art. 6.** This Notice shall become effective at the date it is communicated to S.C. Fondul Proprietatea S.A. and shall be published in the Financial Supervisory Authority’s Bulletin.

PRESIDENT  
MISU NEGRITOIU  
*Illegible signature*  
*Stamp of FSA applied*