

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

The current report according to Art. 113 point A, paragraph (1) letter c) 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 of the Rule Book of the Bucharest Stock Exchange as Market Operator.

**Important events to be reported:**

### **The resolutions of the Extraordinary and Ordinary General Shareholders Meetings of 25 April 2013**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("FTIML Bucharest Branch / The Fund Manager"), in its capacity of Sole Administrator and Fund Manager of Fondul Proprietatea SA ("the Fund") hereby announces that on 25 April 2013 were held at JW Marriott Hotel, Bucharest the Fund's Extraordinary General Shareholders Meeting commencing with 10.00 a.m. (Romanian time) and the Fund's Ordinary General Shareholders Meeting commencing with 11.00 a.m. (Romanian time).

The meetings were chaired by Mr. Grzegorz Maciej Konieczny, the Legal Representative of the Fund Manager.

Following the two said meetings, the shareholders decided the following:

#### **A. Extraordinary General Shareholders Meeting ("EGM")**

1. Approved the EGM agenda;
2. As regards the amendment of the Constitutive Act, the shareholders:

2.1. Approved the amendment of Article 7, which shall have the following content: "*Article 7 – Share capital:*  
*(1) The share capital of Fondul Proprietatea is in*

**Report date:**

25 April 2013

**Name of the issuing entity:**

S.C. 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 13,778,392,208

**Paid share capital:**

RON 13,412,803,666

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

Bucharest Stock Exchange

*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. (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.”*

2.2. Dismissed the amendment of Paragraph (2) of Article 11, which was proposed under the following format: *“(2) The shares issued by Fondul Proprietatea grant the right to vote, each share granting one voting right. There is an exception of this principle, for the appointing of the members of the Board of Nominees, when the rule of cumulative voting will be applied, in accordance with article 15.”*

2.3. Approved the amendment of Paragraph (2) point j) of Article 12, which shall have the following content: *“j) to establish the annual income and expenditure budget for the following financial year;”*

2.4. Dismissed the amendment of Paragraph (6) of Article 13, which was proposed under the following format: *“(6) The calling notice, any other matter added to the agenda at the request of the shareholders, and/or of the Fund Manager, and/or of the Board of Nominees, the annual financial statements, the annual report of the Fund 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”.

2.5. Approved the amendment of Paragraph (10) of Article 14, which shall have the following content: *“(10) The documents referring to the convocation and the shareholders’ attending list shall be attached to each minute.”*

2.6. Approved the amendment of Paragraph (19) of Article 14, which shall have the following content: *“(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.”*

2.7. Dismissed the amendment of Article 15, which was proposed under the following format: *“Article 15 – Organisation: (1) The ordinary general meeting of the shareholders shall appoint the Board of Nominees, formed of 5 members, and shall establish their remuneration, using the formula of votes mentioned in this article, in order to promote the more effective representation of minority shareholders. (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 proposed to be appointed by the shareholders and they must have the proper experience and knowledge in order to be able to receive the reports of the Fund Manager and of 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. In addition, the members of the Board of Nominees have to be qualified properly in order to assess (if there is need, with the support of an independent consultant) whether the transactions proposed by the Fund Manager*

*needing the approval of the Board of Nominees are made to the advantage of the shareholders. All material information on the personal traits and professional qualifications of the candidates and an indication of their eligibility to qualify as an independent member (as defined in paragraph (3) below) shall be deposited at the registered office of Fondul Proprietatea by the reference date; the lists with the candidates and the shareholder that proposed each candidate should be published by the Fund Manager, in due time, on Fondul Proprietatea's website. (3) At least two members of the Board of Nominees must be independent. In order to qualify as an independent member, a person must satisfy all the following conditions: a) not to be a director or a member of a Board of Fondul Proprietatea (other than being a member of the Board of Nominees) or of a company controlled by it and not to have filled such a position over the last 5 years calculated from the date of proposal; b) not to have been an employee of Fondul Proprietatea or of a company controlled by it or not to have had such an employment relationship over the last 5 years calculated from the date of proposal; c) not to receive or have received from Fondul Proprietatea or from a company controlled by it any additional remuneration or other advantages, other than those corresponding to its capacity of member of the Board of Nominees over the last 5 years calculated from the date of proposal; d) not to have been or have been representing a significant shareholder of Fondul Proprietatea; e) not to have or have had over the last year calculated from the date of proposal a business relationship with Fondul Proprietatea or with a company controlled, either in person, or as association, or as shareholder, administrator, director or employee of a company that has such a relationship with Fondul Proprietatea, if, by its substance, this relationship is likely to affect the person's objectivity; f) not to be or have been over the last 3 years calculated from the date of proposal a financial auditor or an employee of*

*the financial auditor of Fondul Proprietatea or of a company controlled by it; g) not to have been a member of the Board of Nominees of Fondul Proprietatea for more than 9 years; h) not to have family relations (wife, husband or 4th grade family relations) with a person that fails one of the conditions provided in a) or d) above. (4) The shareholders holding, jointly or individually, at least 10% of the paid share capital may request at most once a calendar year the convening of a GSM having on its agenda the election of the Board of Nominees through the cumulative voting method. (5) Cumulative voting refers to the method by which each shareholder has the right to assign the cumulated votes (the votes obtained by multiplying the number of votes held by any shareholder in accordance with his share capital participation with the number of members who shall be part of the Board of Nominees) to one or more persons proposed to be appointed in the Board of Nominees. (6) The application of the cumulative vote method requires the election of the entire Board of Nominees in the same GSM. (7) In exercising their cumulative votes the shareholders may assign all the cumulated votes to a single candidate or distribute them among two or more candidates. The shareholders shall mention the number of votes assigned to each candidate on the list. The candidates who have been assigned the most cumulated votes during the General Shareholders Meeting shall form the Board of Nominees. Where two or more candidates proposed to be appointed members of the Board of Nominees have obtained the same number of cumulated votes, the person who has been voted by a larger number of shareholders shall be appointed member of the Board of Nominees. (8) The mandate of the members of the Board of Nominees lasts 3 years, with such period to be extended by right until the first general meeting of shareholders following expiration of this period. (9) The members of the Board of Nominees in office at the date of a general meeting of shareholders at which a*

*cumulative vote is to take place in accordance with this article are included automatically in the list of candidates for the new Board of Nominees unless they notify the Fund Manager in writing that they refuse to be considered for re-election prior to the deadline for submitting the proposals for the candidates of Board of Nominees. (10) The members of the Board of Nominees in office at the date of the General Meeting of the Shareholders which are not re-elected into the Board of Nominees through cumulative vote are considered revoked. (11) The Board of Nominees elects from amongst its members a chairman of the Board.”*

2.8 Approved the amendment of Paragraph (2) of Article 16, which shall have the following content: *“(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 headquarters of Fondul Proprietatea or at such other location as may be agreed among the members of the Board of Nominees.”*

2.9 Approved the amendment of Paragraphs (4) and (5) of Article 17, which shall have the following content: *“(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; (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;”*

2.10 Approved the amendment of Paragraph (11) of Article 17, which shall have the following content: *“(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. 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.”*

2.11 Approved the amendment of Paragraph (3) of Article 21, which shall have the following content: *“(3) In excess of the duties provided by the applicable law, the Fund Manager shall be liable to: 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 notifying the Board of Nominees and after it adds to the agenda the matters requested by the Board of Nominees; ii) upon the written request of any shareholder submitted before the date of the general meeting of the shareholders, to give responses after notifying the Board of Nominees, regarding the aspects concerning the business of Fondul Proprietatea; iii) ensure that, if requested by any of the shareholders, a copy of 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, 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; v) manages the relationship with the Central Depository with regard to its shareholders' register functions, 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; 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; 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; 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, 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 cumulatively during a financial year, 20% of the non-current assets, less any receivables; 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; 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; xiii) decide the relocation of the registered office, provided that the registered office shall at all times be registered in Romania; 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); 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. 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. 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.”*

2.12 Dismissed the amendment of the Constitutive Act, in the form enclosed to the summoning notice of the EGM.

### 3 Approved the ratification and the approval of all resolutions

taken by the extraordinary general shareholders meetings concluded, adopted and issued in the name of SC Fondul Proprietatea SA through Franklin Templeton Investment Management Limited United Kingdom, Sucursala Bucuresti, between 6 September 2010 and 24 April 2013 and the approval and ratification of any implementation acts, facts and operations based on such, including the management of the Company under an unitary system.

- 4 Approved the extension until 31 December 2013 of the authorisation of Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch in order to start to perform the activities mentioned in extraordinary general meetings of shareholders resolution no. 11/ 27 June 2012 and 12/ 23 November 2012, in relation to the secondary listing of the Company on the Warsaw Stock Exchange.
- 5 Approved the empowerment, with authority to be substituted, of Mrs. Oana-Valentina Truța 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.
- 6 Approved the date of 15 May 2013 as the registration date, in accordance with the provisions of Article 238 (1) of Law no. 297/2004.
- 7 Approved, following the proposal of a shareholder owning more than 5% of the share capital, the amendment of Article 12 paragraph 2 letter d) of the Constitutive Act, which shall have the following content: "*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.*"
- 8 Approved, following the proposal of a shareholder owning more than 5% of the share capital, the amendment of

Article 14 point I paragraph 1) of the Constitutive Act, which shall have the following content: *“(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.”*

- 9 Approved, following the proposal of a shareholder owning more than 5% of the share capital, the amendment of Article 19 paragraph 3), which shall have the following content: *“(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 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 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.”*

#### **B. Ordinary General Shareholders Meeting (“OGM”)**

1. Approved the OGM agenda;
2. Approved the Annual Activity Report of the Sole Administrator of SC Fondul Proprietatea SA for the financial year 2012, including the financial statements for the year ended on 31 December 2012 prepared in accordance with the Romanian Accounting Regulations, the report of auditor and the discharge of the Sole Administrator for any liability for the administration during 2012; At this point, the annual report of the Board of Nominees was presented, for

information, to the shareholders;

3. Approved the net profit allocation for the financial year 2012 and the value of the gross dividend of RON 0.04089 lei per share. The Company will start the payment of dividends beginning with 28 June 2013.
4. Approved the Additional Act no. 3 to the Investment Management Agreement;
5. Approved the appointment of Mr. Mark Henry Gitenstein and Mr. Sorin Mindrutescu as members of the Board of Nominees, as a result of the expiry of two of the mandates on 29 September 2013. The mandate of the new members shall produce the effects starting with 30 September 2013;
6. Approved the increase of the gross monthly remuneration for each member of the Board of Nominees to RON 15,000 starting with the date of issuance of the resolution of the ordinary shareholders' meeting. The mandate agreements will be amended accordingly. Mr. Grzegorz Maciej Konieczny is empowered to sign the mandate agreements with the members of the Board of Nominees, for and on behalf of SC Fondul Proprietatea SA;
7. Approved the ratification and the approval of all OGM decisions and all of the legal acts (including decisions and contracts) concluded, adopted or issued on behalf of Fondul Proprietatea S.A. by Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, as well as of any management/administration measures adopted and/or implemented by it, approved or concluded between 6 September 2010 and 24 April 2013;
8. Approved the ratification and the appointment of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch as Sole Administrator of SC Fondul Proprietatea SA and as Fund Manager pursuant to Law 297/2004 regarding

the capital market and according to Investment Management Agreement signed on 25 February 2010. The appointment of the Sole Administrator produces effects in accordance with the provisions of the Law 31/1990, beginning with the acceptance of the mandate. The mandate expires on 29 September 2014, subject to renewal in accordance with the provisions of the Constitutive Act of SC Fondul Proprietatea SA;

9. Approved the Addendum 1 to the audit contract concluded between Fondul Proprietatea and Deloitte Audit SRL, for providing the consent to use audited IFRS financial statements in the Listing Memorandum;
10. Approved the empowerment, with authority to be substituted, of Mrs. Oana-Valentina Truta 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;
11. Approved the date of 15 May 2013 as the registration date, in accordance with the provisions of Article 238 para. (1) of Law no. 297/2004.

**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**