

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

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

**Events to be reported:**

## **The Financial Supervisory Authority partially endorsed the amendments to the Constitutive Act of Fondul Proprietatea SA**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“**the Investment Manager**”), in its capacity as investment manager of Fondul Proprietatea SA (“**the Fund**”), would like to inform shareholders that the Financial Supervisory Authority issued Endorsement no. 267 / 19 September 2019 (the “**FSA Endorsement**”), whereby it endorsed, with comments, the amendment of Article 19 paragraph (1) of the Fund’s Constitutive Act approved by the Fund’s Extraordinary General Shareholders’ Meeting Resolution no. 3 of 28 June 2019.

As per the FSA Endorsement, the Fund has the obligation to call a new General Shareholders Meeting having on the agenda the approval of the new wording proposed for Article 19 para (1) of the Fund’s Constitutive Act.

For your ease of reference, you can find in Annex 1 herein a comparative table describing the amendments of Article 19 paragraph (1), along with the English translation of FSA Endorsement no. 267/19 September 2019 (Annex 2 herein).

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of FONDUL PROPRIETATEA S.A.**

**Johan Meyer**  
Legal representative

**Report date:**

20 September 2019

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**Registered office:**

78-80 Buzesti Street

7<sup>th</sup> floor, district 1,

Bucharest, 011017

**Phone/fax number:**

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

**Email:**

office@fondulproprietatea.ro

**Internet:**

www.fondulproprietatea.ro

**Sole Registration Code**

**with the Trade Register**

**Office:**

18253260

**Order number in the Trade**

**Register:**

J40/21901/2005

**Subscribed share capital:**

RON 4,733,020,898.32

**Paid-up share capital:**

RON 4,543,838,476.32

**Number of shares in**

**issue:**

9,101,963,266

**Number of paid shares:**

8,738,150,916

**Regulated market on**

**which the issued**

**securities are traded:**

Shares on Bucharest Stock

Exchange

GDRs on London Stock

Exchange

Article 19 para. (1) of the Fund's Constitutive Act in force	Article 19 para. (1) of the Fund's Constitutive Act as approved by EGM Resolution no. 3/28 June 2019	Article 19 para. (1) of the Fund's Constitutive Act as endorsed with comments by FSA Endorsement no. 267/19 September 2019
<p>(1) Fondul Proprietatea has appointed FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l., a société à responsabilité limitée qualifying as an alternative investment fund manager under Article 101-1 of the Luxembourg Act of 17 December 2010 concerning undertakings for collective investment, as amended from time to time, whose registered office is located at 8A rue Albert Borschette, L-1246 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 36.979, as its alternative investment fund manager, referred to throughout this document as the Alternative Investment Fund Manager. In addition, FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l. is also Fondul Proprietatea's Sole Director and is represented in its capacity as sole director in Romania by the individuals as permanent representatives (in Romanian language "reprezentanti permanenti persoane fizice") appointed by FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l., upon its appointment as Fund Manager by the shareholders, and in accordance with Article 153<sup>13</sup> of Companies' Law no. 31/1990.</p>	<p>(1) Shareholders of Fondul Proprietatea appoint the Sole Director according to legislation in force. The sole director acts as an alternative investment fund manager, according to legislation in force.</p>	<p>(1) The shareholders of Fondul Proprietatea appoint the Alternative Investment Fund Manager (AIFM) for the purpose of managing it. The AIFM also acts as sole director.</p>

**THE FINANCIAL SUPERVISORY AUTHORITY**

**ENDORSEMENT NO. 267/19.09.2019**

Pursuant to the provisions of Article 2(1) a) and d), Article 3(1) a), Article 6(1) and (3), Article 7(2), Article 14, Article 27 and Article 28 of Government Emergency Ordinance no. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved as amended and supplemented by Law no. 113/2013, as further amended and supplemented,

Based on the provisions of Article 6(1) and (2) of Title VII, Chapter II, Law no. 247/2005, as further amended and supplemented,

In compliance with Article 8 g) and Article 204(1), (7) and (9) of Law no. 31/1990, as further amended and supplemented,

In consideration of the provisions of Article 1(4), Article 3 items 1, 2 and 3 and Article 4(1) a) of Law no. 74/2015 on alternative investment fund managers,

Based on the provisions of Article 17(4) b) and (5) of Regulation no. 10/2015 on the management of alternative investment funds,

Taking into account the provisions of Article 14(1) b), (2) and (3) a), b), j) and Article 15(1) of Regulation no. 4/2010 on the registration with the National Securities Commission and the operation of S.C. "Fondul Proprietatea" S.A., as well as the trading of the shares issued thereby, as further amended and supplemented,

Considering that Fondul Proprietatea S.A. is a regulated entity acting as an AIF managed by an alternative investment fund manager (AIFM), in compliance with Law no. 74/2015 on alternative investment fund managers and Regulation no. 10/2015 on the management of alternative investment funds, which also fulfills the duties of a sole director, as set out under Law no. 31/1990, as further amended and supplemented,

Taking into consideration Franklin Templeton International S.a.r.l.'s request to approve the change in the documents contemplated at the time of registration of Fondul Proprietatea S.A., i.e. the company's Constitutive Act, registered with FSA under no. RG/24918/19.08.2019,

Based on the analysis conducted by the specialized division and on the resolution adopted during the meeting of 18.09.2019, the Board of the Financial Supervisory Authority decided to issue the following individual document:

**ENDORSEMENT**

**Article 1.** It endorses the amendment of the Constitutive Act of S.C. Fondul Proprietatea S.A., based on Resolution no. 3 of the Extraordinary General Meeting of Shareholders of 28.06.2019, as amended, in the form enclosed hereto, which is an integrated part hereof.

**Article 2.** S.C. Fondul Proprietatea S.A. must submit the amendment of the Constitutive Act mentioned under Article 1 hereof for approval to the shareholders in the next Extraordinary General Meeting of Shareholders.

**Article 3.** S.C. Fondul Proprietatea S.A. must send to the Financial Supervisory Authority a copy of the certificate of registration of amendments, within no more than 5 days as of the registration with the Trade Registry of the amendment set out under Article 1, however, no later than 90 days as of the endorsement issued by FSA.

**Article 4.** This Endorsement becomes effective as of its delivery to the manager of S.C. Fondul Proprietatea S.A. and will be published on-line in the Financial Supervisory Authority's Bulletin.

**PRESIDENT,**

*[Illegible signature]*

**Leonardo Badea**

**Annex to Endorsement no. 267/19.09.2019**

Paragraph (1) of Article 19 of the Constitutive Act of S.C. Fondul Proprietatea S.A. is amended and will read as follows:

***“The shareholders of Fondul Proprietatea S.A. appoint the Alternative Investment Fund Manager (AIFM) for the purpose of managing it. The AIFM also acts as sole director.”***