



ARTICLES OF INCORPORATION

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for Societatea de Investiții Financiare Muntenia SA

Art. 1 Company name, legal form, headquarters and duration

The name of the company is "Societatea de Investitii Financiare Muntenia S.A." hereinafter referred to as SIF MUNTENIA SA. In all documents issued by SIF MUNTENIA SA, the name of the company will be preceded by the phrase „Societate de Investiții Financiare" (or "S.I.F.") and will be followed by "joint stock company" (or the initials "SA"), the National Securities and Exchange Commision (NSC) approval number, registration number in the NSC Register, registered address, unique registration code and share capital.

The legal form of SIF MUNTENIA SA is that of joint stock company, Romanian legal person. SIF MUNTENIA SA is a financial investments company and is part of undertaking for collective investment (A.O.P.C.) category, set up as closed end investment company.

SIF Muntenia SA will operate in compliance with the capital market legislation, Law no. 31/1990 on trading companies, republished, with subsequent amendments, the present Articles of Incorporatin and its internal regulations.

The company is the successor of the Private Ownership Fund IV Muntenia, reorganized and transformed according to Law no.133/1996, after it would have handed over the management to Societatea de Investitii Financiare Muntenia SA.

The company will operate under a management agreement to be concluded with the Investment Management Company Muntenia Invest S.A.

SIF Muntenia SA's registered headquarters is in Bucharest, 16, Splaiul Unirii St., sector 4. The headquarters of SIF Muntenia SA may be changed to any other location in Romania by decision of the Shareholders General Extraordinary Meeting. SIF Muntenia may set up subsidiaries, branches, agencies, representative offices, working points, both in the country and abroad, in compliance with legal requirements for authorization and advertising.

The duration of the company is unlimited.

SIF Muntenia SA logo is presented in the appendix to these Articles of Incorporation.

Art. 2 Company's object of activity

The main object of activity of SIF MUNTENIA SA is publicly attracting financial resources from individuals and/or legal persons in order to investing it in accordance with capital market legislation and NSC regulations (**CAEN CODE – 6499** - Other financial service activities, except insurance and pension funding n.e.c.).

SIF Muntenia SA will also be able to carry out other auxiliary and adjacent activities according to legal regulations in force for the capital market.

Art. 3 Share capital and shares

The subscribed and fully paid share capital amounts to 80,703,651.5 lei and it is divided into 807,036,515 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders General Meeting.

The company's shares are nominative, of equal value, issued in dematerialized form and grant equal rights to their holders. The nominal value of a share is 0,1 lei. The shares are indivisible and the company recognizes a single representative to exercise the rights arising from a share.

Investors entitled to cash dividends or to benefit from the decisions of general meetings of shareholders are those registered in the shareholder register kept according to law by the registrar, namely the company that provides records of shareholders, on the date set by the General Meeting of Shareholders in accordance with regulations force.

No individual or legal entity can acquire, alone or together with persons acting in concert, as they are defined in art. 2 para. 1 pt. 23 of Law no. 297/2004, shares issued by SIF Muntenia SA, if as a result of such acquisition, the individual or legal entity will hold, alone or together with persons acting in concert, more than 5% of all shares issued by SIF Muntenia SA.

The voting right is suspended for the shares held by the shareholders in excess of the limit provided in the preceding paragraph of this Article.

Shareholders in that situation are obliged to sell the shares that exceed the holding limit within a period of three months since exceeding the 5% threshold of the share capital of SIF Muntenia SA.

Distribution of dividends will be made in compliance with statutory regulations and NSC regulations.

Art. 4 Shareholders

Persons who acquired shares under the law and these Articles of Incorporation Act may become shareholders of SIF Muntenia SA.

No individual or legal entity can acquire, alone or together or through persons acting in concert, as they are defined in art. 2 para. 1 pt. 23 of Law no. 297/2004, a number of shares that exceed the limit stipulated by law or these Articles of Incorporation. Exercising the right to vote is suspended for the shares held by shareholders that exceed the limits set by law.

Art. 5 Trading of shares

SIF Muntenia SA shares are negotiable and transferable as provided by law.

Trading of shares issued by SIF Muntenia SA will only be done on a regulated and supervised market.

Trading of SIF Muntenia SA shares is subject to the rules applicable to the regulated market on which such shares are traded.

SIF Muntenia SA shares are indivisible and SIF Muntenia SA recognizes a single representative to exercise the rights resulting from a share.

When a share becomes property of several persons, the central depository, respectively SIF Muntenia SA registrar, will refuse registration of ownership until designating a single representative to exercise the rights arising from the share.

Art. 6 Shareholders General Meeting

Shareholders General Meeting is the supreme governing body of SIF Muntenia SA and is entitled to decide on all matters under its competence according to law and the present Articles of Incorporation.

Shareholders General Meeting may be ordinary or extraordinary.

Shareholders General Ordinary Meeting meets at least once a year within the period specified by legal provisions in force.

Besides the debate of other issues on the agenda, the Shareholders General Ordinary Meeting is required to:

- a) discuss, approve or modify the annual financial statements, based on reports issued by the investment management company with which the company had concluded a management contract and by the financial auditor;
- b) set the amount to be distributed as dividends according to the law;
- c) to elect and dismiss members of the;
- d) determine the remuneration of Shareholders Representatives Board members;
- e) to rule over the management of the company;
- f) establish the income and expenditure budget and management strategy for the next financial year;
- g) to decide the pledge, lease or close one or more units of SIF Muntenia SA

In order to validate the proceedings of the Shareholders General Ordinary Meeting of SIF Muntenia SA the presence of shareholders representing at least 50% of SIF Muntenia SA's share capital is required and the decisions must be taken by the positive vote of the shareholders holding or representing at least half plus one of the voting rights present or represented in the meeting.

If at the first convocation the Shareholders General Ordinary Meeting can not be held because the quorum and/or validity conditions referred to in the above paragraph are not met, the Meeting which will be held after the second convocation will be able to deliberate on issues on the agenda of the first convocation, whatever the percentage of SIF Muntenia SA share capital represented by shareholders attending the meeting personally/through a representative. In such a case, the Shareholders General Ordinary Meeting shall adopt valid decisions with half plus one of the voting rights present/represented in assembly.

Extraordinary General Meeting shall be convened whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:

- a) changing the legal form of SIF Muntenia SA;
- b) SIF Muntenia SA relocation;
- c) changing SIF Muntenia object of activity;
- d) establishment or closing of branches, subsidiaries, representative offices, agencies or other such units of SIF Muntenia SA without legal personality
- e) share capital increase;
- f) issue of bonds;
- g) reduction of share capital or increase by issuing new shares, according to legal provisions in force;
- h) merger with aother companies or division of SIF Muntenia SA;
- i) anticipated dissolution of SIF Muntenia SA;

- j) conversion of shares from one class to another;
- k) conversion of a category of bonds to another category of bonds or shares;
- l) acquisition by SIF Munténia SA of its own shares, either directly or through persons acting in their own name but on its behalf;
- m) any other additions and amendments to the Articles of Incorporation or any other decisions which under this Act and the legal provisions in force, require the approval of the Shareholders General Extraordinary Meeting.

To validate the proceedings of the Shareholders General Extraordinary Meeting of SIF Munténia SA, at the first convocation, the presence of shareholders holding at least one fourth of the total number of voting rights is required, while at the following convocations, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken by majority of votes held by shareholders present or represented.

The decision to change the main object of activity of the company, reduce or increase the share capital, change of legal form, merger, division or dissolution of the company shall be taken by a majority of at least two thirds of the voting rights held by shareholders present or represented.

Convening of Shareholders General Meeting shall be made by SAI Munténia Invest SA, in compliance with Law no.31/1990 republished, with subsequent additions and amendments, with the relevant legislation in force and NSC regulations.

The General Meeting is convened by publishing an announcement in the Official Gazette and in a newspaper of wide circulation, in accordance with NSC regulations.

General Meetings of Shareholders shall be convened by SAI Munténia Invest SA whenever issues arise within the competence of the General Shareholders Meeting. SAI Munténia Invest SA is obliged to convene the Shareholders General Meeting at the request of shareholders holding shares representing at least 1/10 of the share capital of SIF Munténia SA, at the request of NSC or where there is a final and irrevocable court decision judging to convene the Shareholders General Meeting of SIF Munténia SA.

The right to participate in the Shareholders General Meeting is held by the shareholders registered in the shareholders' register compiled for the reference date as established by SAI Munténia Invest SA.

Participation in the Shareholders General Meeting will be made directly or by representatives designated among the other shareholders under a special power of attorney drawn up in accordance with Law no. 31/1990 and NSC regulations. SIF Munténia SA shareholders may vote by mail or be represented at the General Meeting of Shareholders by persons other than shareholders, except administrators of SAI Munténia Invest SA based on authenticated special proxies.

Each share gives the right to one vote. Shareholders or those representing a group of shareholders are entitled to vote in accordance with the law.

Decisions are taken by open or secret vote. Secret vote is compulsory for appointment of members of the Shareholders Representatives Council or their revocation and for decisions related to the administrator responsibility.

SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA can not vote in respect of shares they hold neither personally nor through representatives, for their discharge of administration or for an issue in which the person or their work is in question.

A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberations on the specific operation. A shareholder who contravenes this provision is liable to damages produced to the company, if, without his vote, the required majority would have not been met.

Decisions of the Shareholders General Meeting, taken under the law and these Articles of Incorporation, are binding for all shareholders, including those who did not attend the meeting or who voted against that decision.

General Meeting of Shareholders is chaired by the president of SIF Muntenia SA's Shareholders Representatives Council or by its vice-president.

General Meeting of Shareholders shall elect from among the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the general meeting.

Expenses incurred in organizing and conducting Shareholders General Meetings shall be borne by SIF Muntenia SA, being considered expenses incurred for of SIF Muntenia SA and its shareholders.

Art. 7 Shareholders Representatives Council

Shareholders Representatives Council is a body representing the interests of SIF Muntenia SA shareholders in relation to SAI Muntenia Invest SA, with the auditor and other natural or legal person for the contracting of services necessary for carrying out its responsibilities, under a budget approved by SIF Muntenia SA Shareholders General Meeting. SIF Muntenia SA Shareholders General Meeting will choose a Shareholders Representatives Council composed of 11 members for a term of four years, with the possibility of being reelected.

Individuals that can apply for a place in the Shareholders Representatives Council of SIF Muntenia SA must fulfill the following conditions:

- a) are not employees or directors of an investment manager company (SAI) or of another financial investment one and not to have any contractual relationship with SIF Muntenia SA or with the investment manager of SIF Muntenia SA;
- b) not to have been convicted by final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, giving or taking bribes;
- c) to have graduated from a higher education institution with a degree or diploma exam;
- d) to have at least five years experience in banking and finance, capital markets, management of a firm or university;
- e) does not hold, directly or together with his/her husband/wife, relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depository with which SIF Muntenia SA has concluded a depository contract;
- f) does not hold, directly or together with his/her husband/wife, relatives up to the third degree or in-laws up to the second degree, a significant position in SIF Muntenia;
- g) not to have served as directors of a Romanian or foreign company under process of reorganization or that has been declared bankrupt in the last two years

- preceding the bankruptcy proceedings, a situation against which it is demonstrated that they are accountable for, if accountability was established by final and binding court decision;
- h) not to have been sanctioned by NSC, National Bank of Romania, Insurance Supervisory Commission or other regulators of financial markets by prohibiting the practice of professional activities;
 - i) not be found in any other state of incompatibility provided for by the laws in force or these Articles of Incorporation

The first Shareholders Representatives Council of SIF Muntenia SA is composed of persons elected at the Shareholders General Meeting of SIF Muntenia SA dated 23.04.2005.

SIF Muntenia SA Shareholders Representatives Council shall:

- a) represent SIF Muntenia SA in relation to SAI Muntenia Invest SA, with the auditor and other natural or legal persons for the contracting of services necessary for fulfilling its tasks;
- b) negotiate and conclude the management contract;
- c) follows up the compliance degree of the contractual clauses and commitments undertaken by SAI Muntenia Invest SA through the management contract and the strategic management program;
- d) reviews regular reports prepared by SAI Muntenia Invest SA on how it has exercised its tasks related to:
 - the administration of SIF Muntenia SA.
 - exercising the rights conferred by ownership of the securities within SIF Muntenia SA portfolio
 - defending SIF Muntenia SA rights and interests in courts of law, arbitration and any jurisdictional and administrative bodies;
- e) calls for measures to frame the activity of SAI Muntenia Invest within the stipulations of the management contract, the NSC regulations, the annual activity programs, the revenue and expenditure budgets approved by the Shareholders General Meeting of SIF Muntenia SA and the applicable legislation;
- f) negotiates and concludes the contract with the financial auditor;
- g) analyzes and approves the annual financial statements prepared by SAI Muntenia Invest SA and proposals for the profit distribution to be submitted for approval to the Shareholders General Meeting;
- h) analyzes and approves programs related to SIF Muntenia SA portfolio management;
- i) analyzes and approves the draft of SIF Muntenia SA Revenue and Expenses Budget, in order to submit it for the Shareholders General Meeting's approval;
- h) analyzes and approves the half yearly reports and quarterly reports prepared by SAI Muntenia Invest SA in accordance to law and to NSC regulations;
- j) approves the proposals to be presented to the Shareholders General Meeting of SIF Muntenia SA related to the issuance of new shares;

k) analyzes and approves any other materials to be presented to the Shareholders General Meeting of SIF Muntenia SA;

l) verifies the conclusion of the depository contract, namely the contract signed with the Central Depository;

m) may designate a member of the Shareholders Representatives Council as observer in the committee for negotiating transactions with stakes in closed companies.

Art. 8 Financial audit and internal audit of SIF MUNTENIA SA

Yearly and half yearly financial statements of SIF Muntenia SA will be audited by an auditor who fulfills the requirements imposed by applicable law and NSC regulations. The financial audit will be conducted under an audit contract concluded by the Shareholders Representatives Council of SIF Muntenia SA.

Specific internal audit services of SIF Muntenia SA will be provided in accordance with the legal provisions in force.

Art. 9

SIF MUNTENIA SA may borrow funds provided that it complies with the legal provisions in force and with the NSC regulations.

Art. 10 Reporting

SIF Muntenia SA will ensure equal access for all shareholders to information on its operation in accordance with the NSC regulations.

SIF Muntenia SA will comply with the reporting requirements established by NSC regulations and by market regulations where the shares are traded.

SIF Muntenia SA will draw, make available to the public, submit to the NSC and the market operator quarterly, half yearly and annual reports. The reports will be available to investors in accordance with the NSC regulations.

Art. 11 Authorised investments

SIF Muntenia SA investments will be made in compliance with legal provisions and NSC regulations relating to the financial investment companies.

Art. 12 Portfolio structure

SIF Muntenia portfolio will be structured to meet the limitations specified by legal provisions and regulations on financial investment companies.

Art. 13 SIF MUNTENIA SA Management

SIF Muntenia SA management is performed by the administrator who has signed a management contract.

SIF Muntenia SA will pay a monthly management fee representing a share of the asset value managed, within the maximum limit approved by the company's Shareholders General Meeting. Depending on how SAI Muntenia Invest SA meets the performance criteria and goals set annually by the Shareholders General Meeting, SIF Muntenia SA will pay a performance fee to SAI Muntenia Invest SA, accordingly. Establishing the rules for calculating and paying the fees is performed in accordance with the management contract

Art. 14 SIF MUNTENIA SA net asset value calculation

The net asset value of SIF Muntenia SA will be calculated in accordance with NSC regulations in force

Art. 15 SIF MUNTENIA SA depository contract

SAI Muntenia Invest SA is obliged to conclude a depository contract with a depository authorized by NSC.

Activities performed by the depository shall be in accordance with the legal provisions and NSC regulations.

The change of depository will be made in accordance with law and NSC regulations in force.

Art. 16

Dissolution of the company will occur in cases stipulated by law. In the event of dissolution, the company will be liquidated.

The liquidation follows the procedure prescribed by law. After completion, the liquidators will require the cancellation of the company from the Trade Register

Art. 17

Disputes of the company with natural or legal persons are the jurisdiction of the courts of law of Romania. These can be solved by arbitration as well.

Art. 18

These Articles of Incorporation shall be supplemented with the legal provisions applicable to trading companies - common law - and with the special legal provisions for financial companies.

The terms of these Articles of Incorporation shall be deemed modified by law if any subsequent legislation appear that remove or restrict the limitations expressly provided at present for financial investment for companies.

Art. 19

Any amendments brought to these Articles of Incorporation will be subject to the prior approval of the Shareholders General meeting and the NSC.