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## **ARTICLES OF INCORPORATION**

### **of Societatea de Investiții Financiare Muntenia SA**

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

- (1). The denomination of the company is "Societatea de Investiții Financiare Muntenia S.A." hereinafter referred to as SIF MUNTENIA SA. In all documents issued by SIF MUNTENIA SA, the identification data and the information requested by applicable law will be mentioned.
- (2). The legal form of SIF MUNTENIA SA is that of joint stock company, Romanian legal person, organized as an externally managed Alternative Investment Fund.
- (3). SIF MUNTENIA SA will operate in compliance with the provisions of the capital market legislation, of Law no. 31/1990 on trading companies, republished with the subsequent modifications and completions and of this Articles of Incorporation.
- (4). 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.
- (5). The company will operate under a management agreement to be concluded with Societatea de Administrare a Investițiilor Muntenia Invest S.A.
- (6). 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.
- (7). The duration of the company is unlimited.

#### **Art. 2 Company's object of activity**

- (1). The main object of activity of SIF MUNTENIA SA is "Other financial service activities, except insurance and pension funding" **NACE CODE – 6499**
- (2). SIF MUNTENIA SA will be able to carry out the following activities:
  - a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;
  - b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;
  - c) risk management
  - d) other auxiliary and adjacent activities in accordance with the regulations in force

#### **Art. 3 Share capital and shares**

- (1). 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.
- (2). 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.

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- (3). Investors entitled to receive dividends or benefit from the resolutions of general shareholders' meetings shall be those registered in the Shareholders' Registry held by Depozitarul Central in accordance with the law on the date established by the General Meeting of Shareholders in accordance with the regulations in force.
  - (4). No natural or legal person may acquire, alone or together with persons acting in concert as defined by the legislation in force, shares issued by SIF MUNTENIA SA if, as a result of such an acquisition, the respective natural or legal person will own, alone or together with the persons with whom it acts in concert, more than 5% of the share capital of SIF MUNTENIA SA.
  - (5). The voting right is suspended for the shares held by the shareholders in excess of the limit provided under paragraph (4) of this article. Within a maximum of 3 working days as of the date of reaching the 5% threshold, the persons mentioned under paragraph (4) have the obligation to inform the financial investment company, the competent authority and the regulated market on which the respective shares are traded.
  - (6). 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.
  - (7). Distribution of dividends will be made in compliance with statutory regulations and FSA regulations.

#### **Art. 4 Shareholders**

- (1). The company shareholder quality is certified by an account statement issued by the entity keeping the shareholders' records.

#### **Art. 5 Trade, issue, buy back and cancellation of shares**

- (1). SIF Muntenia SA shares are negotiable and transferable as provided by law.
- (2). Trading of shares issued by SIF Muntenia SA will only be done on a regulated and supervised market.
- (3). Trading of SIF Muntenia SA shares is subject to the rules applicable to the regulated market on which such shares are traded.
- (4). The Company may issue new shares in compliance with the legal regulations for the increase of the share capital
- (5). When a share becomes the property of more than one person, Depozitarul Central will refuse to register ownership until the appointment of a single representative for the exercise of the rights resulting from the share.
- (6). The Company may buy back its own shares in accordance with the legal provisions for the buy back of shares by a company admitted to trading on a regulated market.
- (7). The company may cancel the shares issued only in the cases provided for by the applicable legislation in the matter.

#### **Art. 6 Shareholders General Meeting**

- (1). 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.
- (2). Shareholders General Meeting may be ordinary or extraordinary.

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- (3). Shareholders General Ordinary Meeting is held at least once a year within the period specified by legal provisions in force.
- (4). In addition to debating other issues included on the agenda, the Ordinary General Meeting of Shareholders must:
- a) discuss, approve or amend the annual financial statements based on the reports of the Administrator SAI MUNTENIA INVEST SA and of the financial auditor;
  - b) to establish the value of the amount to be distributed as dividends according to legal provisions;
  - c) to appoint and revoke the members of the Shareholders' Representatives Council;
  - d) to appoint and dismiss the financial auditor and to establish the minimum duration of the financial audit contract;
  - e) to determine the remuneration of the members of the Shareholders' Representatives Council;
  - f) to rule on the administration of the company;
  - g) to establish the revenue and expenses budget and the management strategy for the following financial year;
  - h) to decide on pledging, leasing or de-registration of one or several units of SIF MUNTENIA SA
- (5). In order to validate the deliberations of the Ordinary General Meeting of Shareholders of SIF MUNTENIA SA the presence of the shareholders holding at least one fourth of the total voting rights is required and the decisions are taken with the vote „in favor” of the shareholders holding the majority of the votes cast.
- (6). If at the first convocation the Ordinary General Meeting of Shareholders can not be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Meeting that will be held after the second convocation will be able to deliberate on the issues listed on the agenda of the first convocation, whichever is the percentage of the share capital of SIF MUNTENIA SA represented by the shareholders attending the meeting personally / by a representative. In such a case, the Ordinary General Meeting of Shareholders shall adopt valid decisions by a majority of the votes cast.
- (7). 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 headquarters' 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 other 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 Muntenia SA of its own shares, either directly or through

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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.

- (8). The Extraordinary General Meeting delegated to its Administrator, SAI MUNTENIA INVEST SA, the exercise of its duties for:
- a) increase of the share capital;
  - b) establishment or de-registration of branches, representations and other working points
- (9). To validate the proceedings of the Shareholders General Extraordinary Meeting of SIF Muntenia 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.
- (10). The General Meeting of the Shareholders shall be convened by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law no. 31/1990 republished, with the subsequent additions and additions of the legislation in force and of the FSA regulations
- (11). The general meeting is convened by publishing an announcement in the Official Gazette and in a large circulation newspaper, in accordance with the provisions of the legislation in force.
- (12). General Meetings of Shareholders will be convened by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Meeting of Shareholders. SAI MUNTENIA INVEST SA is obliged to convene the General Meeting of Shareholders upon the request of the shareholders holding shares representing at least 5% of the share capital of SIF MUNTENIA SA, upon the request of the FSA or in the event of a final and irrevocable court decision requiring the convocation of SIF MUNTENIA SA's General Meeting of Shareholders.
- (13). 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 Muntenia Invest SA.
- (14). Participation in the General Meeting of the Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of SIF MUNTENIA SA may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA.
- (15). 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.
- (16). Decisions shall be taken by open or secret vote. Secret vote is mandatory when appointing or revoking members of the Shareholders Representative Council, appointing or revoking the Administrator as well as when appointing or dismissing the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the company.
- (17). 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

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or their work is in question.

- (18). 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.
- (19). Decisions of the Shareholders General Meeting, taken under the law and this Articles of Incorporation, are binding for all shareholders, including those who did not attend the meeting or who voted against that decision.
- (20). The General Meeting of Shareholders is chaired by one of the permanent representatives appointed by the Administrator, SAI Muntenia Invest SA, and registered with the Trade Registry as legal representative of SIF MUNTENIA SA.
- (21). 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.
- (22). 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**

- (1). Shareholders Representative Council is a body representing the interests of SIF MUNTENIA SA's shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Shareholders' Meeting of SIF MUNTENIA SA.
- (2). The General Meeting of Shareholders of SIF MUNTENIA SA will appoint a Shareholders Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-appointed
- (3). 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 management company (SAI) or of another financial investment company 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 whith which SIF Muntenia SA has concluded a depository contract;
  - f) not to have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;;
  - g) not be in any other state of incompatibility as provided by the applicable legal provisions or by this Articles of Incorporation
- (4). SIF MUNTENIA SA's Shareholders Representative Council has the following duties:
  - a) represents SIF MUNTENIA SA in relation to SAI MUNTENIA INVEST SA;
  - b) negotiates and concludes the management contract;

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- c) monitors the observance of the contractual clauses and the commitments assumed by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the Shareholders' General Meeting of SIF MUNTENIA SA;
  - d) analyzes the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:
    - the management of SIF MUNTENIA SA;
    - exercising the rights conferred by holding the securities from the portfolio of SIF MUNTENIA SA;
    - defending the rights and interests of SIF MUNTENIA SA before the courts, arbitration courts as well as any bodies with jurisdictional and administrative power;
  - e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the annual management programs, the income and expenses budgets approved by the Shareholders' General Assembly of SIF MUNTENIA SA and the applicable legislation;
  - f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of SIF MUNTENIA SA;
  - g) verifies the preparation of the annual financial statements by SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Shareholders' Meeting of SIF MUNTENIA SA;
  - h) verifies preparation of the annual program related to the management of SIF MUNTENIA SA's portfolio;
  - i) verifies drafting of the draft Income and Expenses Budget of SIF MUNTENIA SA for its presentation to the General Shareholders' Meeting of SIF MUNTENIA SA;
  - j) verifies the preparation of half yearly and quarterly reports by SAI MUNTENIA INVEST SA in accordance with legal provisions and FSA regulations;
  - k) verifies the preparation of materials to be submitted to the General Shareholders' Meeting of SIF MUNTENIA SA;
  - l) verifies the conclusion of the depository contract, respectively the contract with Depozitarul Central.

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

- (1). 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 FSA regulations.
- (2). The financial audit will be conducted under an audit contract concluded by SAI MUNTENIA INVEST SA.
- (3). The internal audit of SIF Muntenia SA will be performed in compliance with the legal provisions in force .

#### **Art. 9 Loans**

- (1). SIF MUNTENIA SA may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

#### **Art. 10 Reporting**

- (1). SIF Muntenia SA will ensure equal access for all shareholders to information on its operation in accordance with the FSA regulations.
- (2). SIF Muntenia SA will comply with the reporting requirements established by FSA regulations and by the regulations of the market where the shares are traded.
- (3). SIF Muntenia SA will draw, make available to the public, submit to the FSA and the market operator quarterly, half yearly and annual reports. The reports will be available



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to investors in accordance with the FSA regulations.

**Art. 11 Authorised investments**

- (1). SIF Muntenia SA investments will be made in compliance with legal provisions and FSA regulations relating to the financial investment companies.

**Art. 12 Portfolio structure**

- (1). The portfolio of SIF MUNTENIA SA will be structured in such a way as to comply with the limitations stipulated by the legal provisions and the applicable capital market regulations

**Art. 13 SIF MUNTENIA SA Management**

- (1). SIF Muntenia SA management is performed by the administrator who has signed a management contract.
- (2). 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**

- (1). SIF MUNTENIA SA's net asset value will be calculated in accordance with the legislation in force

**Art. 15 SIF MUNTENIA SA depository contract**

- (1). SAI Muntenia Invest SA is obliged to conclude a depository contract with a depository authorized by FSA.
- (2). Activities performed by the depository shall be in accordance with the legal provisions and FSA regulations.
- (3). The change of depository will be made in accordance with law and FSA regulations in force.

**Art. 16 Dissolution**

- (1). Dissolution of the company will occur in cases stipulated by law. In the event of dissolution, the company will be liquidated.
- (2). The liquidation follows the procedure prescribed by law. After completion, the liquidators will require the de-registration of the company from the Trade Register

**Art. 17 Litigation**

- (1). 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 Miscellaneous**

- (1). This Articles of Incorporation is supplemented by the legal provisions on companies - common law - and by the special legal provisions in the capital market field.
- (2). The terms of this 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 companies.

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**Art. 19 Amendments**

- (1). Any amendments brought to this Articles of Incorporation will be subject to the prior approval of the Shareholders General Meeting and the FSA.

Prepared in 4 originals, today, 18.05.2018, according to the FSA Approval no. 147/17.05.2018.

**SIF MUNTENIA SA**

**by its Administrator, SAI MUNTENIA INVEST SA**

**Nicușor Marian BUICĂ**

**General Director**