



# ARTICLES OF ASSOCIATION OF SOCIETATEA DE INVESTIȚII FINANCIARE BANAT-CRIȘANA SA

FREE TRANSLATION

*prepared for the convenience of English-speaking readers, as translation of the original document issued in Romanian, which is the official and binding version; for purposes of interpretation the Romanian text shall be authoritative and final*

## **Article 1 Name of the company, legal form and duration of the company**

(1) The name of the company is "SOCIETATEA DE INVESTIȚII FINANCIARE BANAT-CRIȘANA SA" (*Financial Investment Company Banat-Crișana*).

(2) The legal form of the company is joint stock company.

(3) The Company is the successor Fondul Proprietății Private I (*Private Property Fund I*) Banat-Crișana Arad, reorganized and transformed pursuant to the provision of no.133/1996.

(4) Company's operation is regulated by the provisions of ordinary and special laws, applicable to the field of financial investment companies, as well as the provisions of these Articles of Incorporation.

(5) The Company is self-managed.

(6) The Company is headquartered in: Arad, 35A Calea Victoriei, Arad County. The company will be able to establish branches, subsidiaries, agencies, representations, places of business, both in the country and abroad, in compliance with the legal requirements concerning the authorisation and advertisement.

(7) The operating time of the company is unlimited.

## **Article 2 Object of the company**

(1) The main field of business activity is: Financial intermediation except for the activities of insurance and those of pension funds, CAEN code 64, and the main object of the company is Other financial intermediation n.c.a., CAEN code 6499 as follows:

(a) carrying out financial investments to maximize the value of own shares in accordance with the regulations in force;

(b) management of investment portfolio and exercising all the rights associated to the instruments in which investments are made;

(c) other ancillary and related activities in accordance with the regulations in force

(2) The Bucharest branch of Societatea de Investiții Financiare Banat-Crișana, unincorporated, located in Bucharest, sector 1, 175 Calea Floreasca, 7th floor, room A1, carry out the same object of activity as the parent company.

## **Article 3 Share capital and shares**

(1) The share capital of the company amounts to RON 54,884,926.8, and is divided into 548,849,268 shares of RON 0.10 each, appropriated per shareholders as shown in the records entered in the shareholders' registry.

(2) The shares issued by the company are registered, of equal value, issued in dematerialized form and grant equal rights to their holders. The nominal value of a share is RON 0.10. The shares are indivisible, and the company admits a sole representative to exercise the rights attached to a share.

(3) Any person may acquire under any title or may hold, individually or together with persons acting in concert, shares issued by the investment companies resulting from the transformation of private property funds, but not exceeding 5% of the share capital of the financial investment companies;

(4) The exercise of the voting right is suspended for the shares held by shareholders exceeding the limits set out in paragraph (3);

(5) The persons referred to in paragraph (3) are bound, in term of maximum 3 working days upon reaching the 5% threshold, to inform the company, ASF, and the regulated market where the respective shares are being traded;

(6) Within 3 months from exceeding the threshold of 5% of the share capital of the financial investment companies, the shareholders in this situation are required to sell the shares exceeding the holding limit.

## **Article 4 The Shareholders**

(1) The first shareholders of the company were the citizens who subscribed ownership certificates and nominative privatization vouchers (in Romanian: *cupoane nominative de privatizare*) to Fondul Proprietății Private I "Banat-Crișana" Arad and the citizens entitled to receive shares pursuant to art. 4 par. 1 of Law no.133/1996.

(2) May also become shareholders the persons that purchase shares on the regulated market or subscribe in the public offer of share capital increase.

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### **Article 5 Rules on the issuance, holding and sale of shares**

- (1) New shares may be issued pursuant to the legal regulations for the increase of share capital;
- (2) Shares may be ordinary or preference shares, per law;
- (3) The record of company's shares and shareholders is kept by the authorized central depository, pursuant to the provision of the law;
- (4) The shares held by the shareholders will be nominative, dematerialized and registered by entry in the account;
- (5) The shares are freely negotiable;
- (6) Trading of shares shall be performed only on the regulated market on which they are listed.

### **Article 6 The General Meeting of Shareholders**

- (1) The General Meeting of Shareholders is the supreme governing body of the company.
- (2) The general meetings are ordinary and extraordinary.
- (3) The Ordinary General Meeting shall be convened at least once a year no later than four months after the end of the financial year.
- (4) The extraordinary general meeting shall be convened whenever needed.
- (5) Besides debating other issues on the agenda, the Ordinary General Meeting shall:
  - a) discuss, approve or amend the financial statements based on the reports of the Board of Directors (administrators) and the financial auditor, and set the dividend.
  - b) elect and revoke the administrators;
  - c) appoint or dismiss the financial auditor and set the minimum duration of the contract for the financial audit;
  - d) determine the remuneration for the current year for the administrators;
  - e) to decide upon the activity of the administrators;
  - f) to determine the income and expenditure budget and, where appropriate, the operational plan for the succeeding financial year;
  - g) to decide on the pledge, lease or closing of one several units of the company.
- (6) The General Meeting of Shareholders shall empower the Board of Directors to buyback SIF's shares at the prices set by the Board of Directors pursuant to ASF regulations.
- (7) The Extraordinary General Meeting is convened for:
  - (a) the increase of share capital, which shall be carried out only through public offer of shares based on a prospectus approved by ASF and pursuant to the legal provisions in force;
  - (b) the change of the company's object of activity;
  - (c) the change of the legal form of the company;
  - (d) relocation of the headquarters of the company;
  - (e) merger with other companies;
  - (f) the capital reduction or its replenishment by issuing new shares;
  - (g) the early dissolution of the company;
  - (h) the conversion of shares from one category to another;
  - (i) the removal or change in the company's shareholding limit;
  - (j) any other amendment to the articles of association or any other decision requiring the approval of an extraordinary general meeting.
- (8) The Extraordinary General Meeting has delegated to the Board of Directors the exercise of its powers to:
  - (a) increase the share capital;
  - (b) change the object of the company, except for the field and the main business of the company, which remain within the exclusive competence of the extraordinary general meeting;
  - (c) establish or close branches, subsidiaries, representative offices and other places of business.
- (9) Convening the general meeting of shareholders shall be done considering the legal provisions in force and the provisions of these Articles of Association;
- (10) The General Meeting shall be convened by publishing a notice in the Official Gazette and in a newspaper of wide circulation with at least 30 days before the date of the meeting.
- (11) The Ordinary and the Extraordinary General Meeting shall be convened by the Board of Directors, pursuant to the applicable law.
- (12) The shareholders registered as at the reference date have the right to participate in the general meeting of shareholders.
- (13) Shareholders who are to benefit from dividends or other rights and who are affected by the decisions of the general meeting of shareholders will be identified based on the list provided by the register company as at the date set by the general meeting of shareholders.



- (14) Shareholders may attend the general meeting of shareholders directly or may be represented by other shareholders, based on a special or general empowerment. Shareholders may also vote by correspondence pursuant to legal provisions applicable.
- (15) The right to vote. Each action entitles to one vote.
- (16) To validate the discussions of the ordinary general meeting it is required the presence of shareholders representing at least one quarter of the share capital. The decisions of the ordinary general meeting shall be taken by the majority of the votes cast.
- (17) If the requirements of validity are not met, a second call of the meeting shall take place, this meeting having the authority to discuss the issues on the agenda regardless of the share capital represented by the shareholders present, and decisions are to be taken by the majority.
- (18) To validate the decisions of the extraordinary general meeting it is required for the first call the presence of shareholders holding at least a quarter of the total number of voting rights, and for the subsequent calls, the presence of shareholders representing at least one fifth of the total of voting rights. The decisions are taken by a majority of votes held by shareholders that are present or represented. The decision to change the main activity of the company, to reduce or increase the share capital, to change the legal form, to merge, split or dissolve the company shall be taken by a majority of at least two thirds of the voting rights held by the shareholders that are present or represented.
- (19) The resolutions of the ordinary and extraordinary meetings may also be adopted based on the votes cast by correspondence and/or other consultation procedure specified by Instructions and Regulations of ASF concerning the shareholders' consultation. The Board of Directors is responsible for determining the procedure for voting by correspondence.
- (20) The resolutions of the general meeting are taken by show of hands or by secret ballot. Shareholders may also vote by correspondence. The secret vote is compulsory for the election or revocation of the Board of Directors (administrators), for taking decisions regarding the liability of administrators, and for the appointment of the financial auditor.
- (21) The members of the Board of Directors may not vote on the basis of the shares they own, either personally or through representatives, for their own discharge of liabilities or on issues concerning their persons or their activity.
- (22) The shareholder which, in respect of a certain operation, has an interest contrary to that of the company's, shall abstain from the deliberations concerning that operation.
- (23) A shareholder failing to meet this provision shall be liable for damages to the company, if without his vote the required majority would not have been met.
- (24) The decisions taken by the general meeting compliant to the law and the company's Articles of Association are also mandatory for the shareholders who did not attend the meeting or voted against.
- (25) The general meeting of shareholders shall be presided by the Chairman of the Board of Directors, and in his absence, by the Vice-Chairman.
- (26) Upon the request of Societatea de Investiții Financiare Banat-Crișana SA, the central depository that keeps records of company's shareholders, shall provide the necessary data and information for the the organization and the conduct of the general meeting of shareholders, pursuant to the legal and conventional provisions in force.
- (27) The general meeting of shareholders elects from amongst the shareholders one to three secretaries to verify the attendance list and the representation of shareholders, their voting right, and to draft the minutes of the meeting, which will be recorded in a sealed and stamped register and will be signed by the chairman of the general meeting and by the secretaries.

#### **Article 7 The Board of Directors**

- (1) The company is administrated by board of directors comprised of 5 members elected by the general meeting for a period of 4 years, with the possibility to be re-elected. In case of vacancy of one or more administrators, the other administrators shall appoint interim administrators until the assembly of the general meeting.
- (2) The nominal composition of the Board of Directors is:
- a) Drăgoi Bogdan-Alexandru, Romanian citizen, domiciled in Bucharest;
  - b) Avrămoiu Octavian, Romanian citizen, domiciled in Bucharest;
  - c) Dumitru Ștefan, Romanian citizen, domiciled in Otopeni;
  - d) Chiser Toma-Valentin, Romanian citizen, domiciled in Bucharest;
  - e) Stancu Ion, Romanian citizen, domiciled in Bucharest;
  - f) Weiler Dan, German citizen, domiciled in Germany;
  - g) Ciucioi Ionel-Marian, Romanian citizen, domiciled in Bucharest;



- (3) The members of the Board of Directors (administrators) must have a good reputation and enough experience to ensure the sound and prudent management of the company. The administrators have to meet the general requirements provided by Company Law no. 31/1990 supplemented with the special ones provided by the applicable capital market legislation and ASF regulations.
- (4) The administrators will be remunerated for their activity, as approved by the general meeting of shareholders.
- (5) The administrators must conclude a professional liability insurance, under the terms provided by law;
- (6) The Board of Directors elects from amongst its members a Chairman and a Vice-Chairman. The Chairman of the Board of Directors also holds the position of General Director (CEO) of the company. The Board of Directors elected Mr. Drăgoi Bogdan-Alexandru as Chairman.
- (7) The Board of Directors meets at the company's headquarters or other venue indicated in the convening notice once a month or whenever necessary, as convened by the Chairman, or in his absence thereof, by the Vice-Chairman.
- (8) The Board of Directors may also be convened at the reasoned request of at least 2 of its members or of the general director. In this case, the agenda is set by the authors of the request. The Chairman is bound to agree on such request.
- (9) The convening the Board members shall ensure at least 5 days before the date set for the ordinary meeting and 1 day before the extraordinary meeting. The Chairman shall preside the meetings. In the absence of the Chairman, the meeting will be presided by the Vice-Chairman.
- (10) For the validity of the decisions of the Board of Directors a presence of at least half of its members is necessary. The members of the Board may also attend the meetings by electronic means, telephone, conference-calls, video-conferences, about which an indication shall be made in the minutes of the meeting. In exceptional cases, justified by the urgency of the situation and the interest of the Company, the decisions of the Board of Directors, except for those concerning the annual financial statements or the authorized capital, may be taken by the unanimous vote expressed in writing (email and fax included) of the members of the Board, without a meeting of the Board of Directors being necessary.
- (11) The decisions of the Board of Directors shall be taken by an absolute majority of the attending members. In case of a tie, the Chairman of the Board of Directors, or respectively the Vice-Chairman in case of a reasoned absence of the Chairman, shall have the casting vote.
- (12) The Board of Directors has the power to decide during the interval between general meetings regarding the management of the company, except for the decisions that the law or the Articles of Association indicate exclusively for the general meeting.
- (13) The Board of Directors decides upon:
- a) the strategy and the investment and development policy of the company;
  - b) submits for the approval of the general shareholders meeting, within legal period, the report on the company's activity, its financial position and income statement for the previous year, and the draft of company's budget;
  - c) amendment of the income and expenditure budget, depending on the fluctuations in the economy;
  - d) the acts of acquisition, disposal, swaps or collateralization of assets classified as current assets of the company, whose value exceeds individually or cumulatively, during a financial year, 20% of the total fixed assets, less the receivables, will be concluded by the administrators or directors of the company only after their prior approval of the extraordinary general meeting of shareholders under the provisions of Art. 241, paragraph 1 of Law 297/2004;
  - e) the company's regulation for organization and functioning, its fund management policies and strategies;
  - f) setting the accounting policies and financial control system, as well as approving of financial planning;
  - g) the preparation of the annual report, the organizing of the general meeting of shareholders and implementing its decisions;
  - h) appointment and removal of directors and establishing their powers;
  - i) solving any other issues set by the general meeting of shareholders;
- (14) The duties and powers of the Chairman of the Board shall be established by internal regulations.
- (15) The Board of Directors may delegate some of its powers to a Steering Committee whose members are elected from amongst the administrators, at the same time setting their remuneration, subject to the approval of the General Meeting of Shareholders.
- (16) The Chairman – CEO, and in his absence, the Vice-Chairman, represents the company in dealings with third parties.
- (17) The members of the Board of Directors are entitled to recover the costs incurred in exercising their mandate.



(18) The General Meeting of Shareholders shall annually determine the amount of remuneration to be paid to the administrators.

(19) The revocation of the Board of Directors will be possible only on duly justified reasons, by the ordinary

(20) Concerning the shares issued pursuant to Article 4 of Law no.133/1996, owned by the original holders, they can be repurchased by the company, exceeding the limit laid down by Article 103 of Law no. 31/1990, by the for the purpose of adjusting the price of company's own shares on the capital market.

#### **Article 8 - Financial audit and internal audit**

(1) Financial Statements and those concerning company's operations shall be audited by a financial auditor, in compliance with the specific requirements established by the applicable legal provisions.

(2) The financial auditor shall be appointed by the General Meeting of Shareholders, which will set the duration of the term of office. Financial auditor's work shall be conducted pursuant to the legal provisions in force, under a service contract to be approved by the Board of Directors;

(3) The company shall organize the internal audit pursuant to the legal provisions in force.

#### **Article 9 Company's personnel.**

(1) The company's organization and the establishment plan with the payroll limits are approved by the Board of Directors.

(2) The members of the personnel are employed by the General Director.

**Article 10 Loans.** The company may temporarily borrow funds, in compliance with the regulations in force.

#### **Article 11 Investments of the company**

(1) Societatea de Investiții Financiare Banat-Crișana SA may acquire and hold investments only under the provisions of the regulations in force.

(2) The company will conduct financial investments complying to the prudential rules concerning the investment policy provided by the applicable regulations in force.

#### **Article 12 Reports**

The company shall publish reports and statements set by the regulations in force and comply with all reporting requirements established by law, regulations of the supervisory authority and of the regulated market on which the shares issued by the company are traded.

#### **Article 13 Transparency**

(1) The company shall provide all necessary facilities and information to enable shareholders to exercise their legal and statutory rights pursuant to the applicable legal provisions.

(2) The Company shall provide equal treatment for all the shareholders who hold shares of the same class.

#### **Article 14 Incompatibilities**

(1) The persons elected as members of the Board of Directors must meet the requirements provided by the Law 31/1990 and capital market legislation and must not be members in another Board of Directors, supervisory board or directorate of other investment company or investment management company (SAI), to be employed or have any contractual relationship with such entity;

(2) may not hold managing positions in the company: members of the Board of a depositary, of its executive management, holders of 5% or more of the share capital of that depositary, including the persons involved;

(3) may not hold managing positions in the company: members of the board of a financial investment services company, of its executive management, holders of 5% or more of the shares of financial investment services companies including the persons involved.

**Article 15 Net assets of the company.** Net assets shall be calculated in compliance with applicable regulations. Valuation of assets managed by the company and the calculation of the net assets shall be carried out compliant to the legal regulations in force.

#### **Article 16 Depositary**

(1). The company shall conclude a contract for custodian services with a depositary endorsed by ASF. The services to be provided by the depositary shall be laid down in the contract for custodian services.

(2) The depositary may be replaced, ensuring the investors' protection in such case, pursuant to the regulations in force.



**Article 17 Dissolution of the company**

- (1) Dissolution of the company shall occur in cases expressly provided by law. In case of dissolution, the company will be liquidated.
- (2) The liquidation shall follow the procedure prescribed by the law. After its completion, the liquidators will request the Company be struck-off from the Trade Register.

**Article 18 Litigations.** Litigations of the company with natural or legal persons fall within the jurisdiction of the courts in Romania. They may be settled by arbitration.

**Article 19 Matters not covered**

- (1) Matters not covered in these Articles of Association, concerning company's operation, merger, division, association with other companies, dissolution and liquidation, fall under the provisions of Law 31/1990, republished, and the special regulations in matters of financial investment companies.
- (2) Any laws subsequently issued that remove or restrict the limitations explicitly set for currently for the financial investment companies, the clauses thereof of these Articles of Association shall be deemed amended by law.

**Article 20 Amendment of the Articles of Association**

- (1) The amendment of the Articles of Association shall be performed pursuant to the procedure laid down by the regulations in force and under the conditions of the Articles of Association.
- (2) The Chairman of the Board is empowered take the legal steps for the signing of the amended Articles of Association and request the registration with Arad Trade Register Office.

These Articles of Association have been rewritten today 21.11.2016, in 3 (three) original copies, as per A.S.F. Endorsement no. 296 of 09.11.2016.

**Chairman of SIF Banat-Crişana SA  
Drăgoi Bogdan-Alexandru**

**Vice-Chairman of SIF Banat-Crişana SA  
Avrămoiu Octavian**