



NUCLEARELECTRICA

**Answers to frequently asked questions regarding SN Nuclearelectrica S.A.
dividends distributed as per the provisions of art. II and art. III of the
Government Emergency Ordinance no. 29/2017**

1. What do the dividends distributed as per the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017 represent?

As per OUG no. 29/2017 the possibility was created to distribute dividends from the “other reserves” accounting position, starting with the approval of the financial statements for 2016. At the request of the majority shareholder, the Ministry of Energy, SNN amended the agenda of the Ordinary General Meeting of SNN Shareholders convened for 28.09.2017 with the items:

“3. The approval of the distribution of the amount of 110.000.000 lei as dividends, on the grounds of the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017, to the shareholders of the company, proportionally to their participation in the share capital of the company.

4. The approval of the dividend payment date, namely 03.11.2017.”

The amount of 110.000.000 lei will be distributed from the accounting position “Other reserves representing own financing funds” and will not affect the development of SNN short, medium and long term projects and current maintenance works.

2. From what date on does SN Nuclearelectrica S.A pay dividends to its shareholders?

Starting with the date of **03.11.2017, the payment date**, SNN will pay the dividends as per the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017 **through the Depozitarul Central S.A. and BRD - Group Société Générale (BRD), the selected payment agent.**

3. When should the shares be owned so that a shareholder be entitled to the dividends distributed as per the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017?

The dividends shall be paid only to the SNN’s shareholders recorded in the Shareholders Register held by Depozitarul Central S.A. on the date of 17.10.2017, approved as the registration date by the Ordinary General Meeting of Shareholders (“GMS”) of 28.09.2017.

4. What is the value of the dividend?

The value of the gross dividend is of **lei 0,364825694 per share**, while any withholding tax shall be deducted prior to payment at the legal rate.

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Paid and subscribed capital: 3.015.138.510 lei

office@nuclearelectrica.ro, www.nuclearelectrica.ro

5. Did SNN opt for the delayed payment date?

SNN did not opt for delayed payment date.

6. How can dividends be paid?

For the natural/legal and other entities shareholders who have a bank account opened with a Participant (Boker/ Bank), the dividends shall be received directly in the bank account starting with 03.11.2017, the payment date, without presenting any additional documents.

For the natural/legal and other entities shareholders who don't have a bank account opened with a Participant, it is possible to opt for the payment by bank transfer or in cash at the agencies of BRD Groupe Société Générale, the payment agent.

For the payment in cash, the shareholder shall submit a valid identity document – identity bulletin/card with CNP for the Romanian citizens or valid passport with identification number for the foreign persons. For the bank transfer payments, the shareholder shall fill out and submit a payment request form, together with all the supporting documents indicated therein (the forms can be downloaded from the section related to the following link <http://www.nuclearelectrica.ro/investor-relations/additional-dividends-2017/?lang=en>

The payment of the dividends distributed as per art. II and art. III of the Government Emergency Ordinance no. 29/2017 starts on **03.11.2017, the payment date.**

7. What documents are needed in order to transfer the dividends into an account?

The transfer of dividends in a bank account, is performed based in the option of each shareholder, as follows:

- For the shareholders who have an account opened with a Participant (broker/ bank), the dividends distributed as per art. II and art. III of the Government Emergency Ordinance no. 29/2017 will be automatically transferred in the bank account declared at the moment of concluding the contract for financial investment services with the Participant;
- For the shareholders who don't have an account opened with a Participant, there are two options as follows:
 - o Submitting to SNN until 23.10.2017 the form “Application for payment by bank transfer of the net dividends distributed by SN Nuclearelectrica S.A. – Individual shareholders” or “Application for payment by bank transfer of the net dividends distributed by SN Nuclearelectrica S.A. – Legal/other entities shareholders”, as applicable, accompanied by respective the supporting documents (the applications can be downloaded at the following link <http://www.nuclearelectrica.ro/investor-relations/additional-dividends-2017/?lang=en>)
 - o Registering of the IBAN code for dividend transfer with the Depozitarul central. The same IBAN code may be used to cash in dividends related to all the holdings and remains valid for future distributions. The registration of the IBAN code with Depozitarul Central will be taxed as per the tariff list applicable to the owners of securities and will be borne by the shareholders. For more information regarding this payment option, SNN shareholders are kindly asked to contact Depozitarul Central at +4 021.408.58.74 or email: dividende@depozitarulcentral.ro

7. Is it possible to receive the dividends into a bank account opened to a bank other than

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BRD?

Yes, it is possible. In order to receive dividends in a bank account opened with another bank, apart from the payment forms duly filled in and accompanied by the supporting documents referred to in the payment forms, the requester must produce a statement of account, certified by the bank where the transfer of the dividends' value is requested or any other justifying document, issued by such bank, clearly identifying the account holder. In case the shareholder opts for registering the IBAN code with Depozitarul Central, the shareholder is kindly asked to contact Depozitarul Central at phone number:+4 021.408.58.74 or email: dividende@depozitarulcentral.ro.

8. Can dividends be paid to a bank account opened with a bank outside Romania?

Yes, it is possible, but the shareholder must hold an account in lei, because the dividend payment is made only in lei. In order to receive the dividends, the shareholder must submit the filled in payment forms together with the supporting documents indicated in these forms.

9. Where are the payment request forms available?

The payment request forms are available on the site: <http://www.nuclearelectrica.ro/>, *Investor Relation/2017 Additional dividends* section and may also be requested from any BRD agency in the country.

The list of BRD agencies is available on the site: <https://www.brd.ro/agentii-si-atm-uri/>.

10. How much time do I have to request the payment of the dividends distributed as per art. II and art. III of the Government Emergency Ordinance no. 29/2017?

The payment of the net dividend distributed as per art. II and art. III of the Government Emergency Ordinance no. 29/2017 is subject to the general provisions of prescription, being prescriptible within 3 (three) years after the date the payment begins (03.11.2017), namely 203.11.2020.

11. How are net dividends computed?

The total value of net dividends due to any SNN's shareholder is given by the number of shares held by such shareholder on the registration date (17.10.2017), multiplied by the value per share of the gross dividend, approved by SNN' OGMS (**0,364825694** lei/share) of 28.09.2017, out of which any withholding taxes are deducted, according to the relevant applicable tax rates stipulated by the law in force (the Fiscal Code and the Conventions for the avoidance of double taxation concluded between Romania and the state of residence of the non-resident shareholders, who present valid tax residency certificates).

12. When is the tax calculated?

As per the provisions of the Romanian Fiscal Code in force, on the payment date, the withholding tax shall be deducted, as follows:

- **Resident natural persons shareholders:** standard tax of 5% applied to the gross amount of the dividends;
- **Non-resident natural persons shareholders:** the standard tax of 5% applied to the gross amount of the dividends or the more favorable tax resulted from the Convention for the avoidance of the double taxation concluded between Romania and the state of residence of

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the respective shareholder, for the non-resident natural person shareholders who present, until 23.10.2017 a valid tax residency certificate for the year of the dividends' payment, in original or legalized copy, with apostille/supra-authentication, if applicable, accompanied by the authorized translation (applicable for certificates in other languages than Romania), at SNN headquarters, 65 Polona street, district 1, Bucharest, postal code 010494, to the attention of the Communication and Public Relations Department;

- **Resident legal persons shareholders:** the standard tax of 5% applied to the gross amount of the dividends, with the exceptions provided in the Fiscal Code, which provide the tax exemption for certain legal resident legal persons;
- **Non-resident legal persons shareholders:** the standard tax of 5% applied to the gross amount of the dividends with the exceptions provided in the Fiscal Code which specify the exemption from the dividend tax of certain non-resident legal persons or the more favorable tax resulted from the Convention of avoidance of the double taxation concluded between Romania and the state of residence of the specific shareholder, for non-resident legal persons who present, until 23.10.2017 a valid tax residency certificate for the year of the dividends' payment, in original or legalized copy, with apostille/supra-authentication, if applicable, accompanied by the authorized translation (applicable for certificates in other languages than Romania), at SNN headquarters, 65 Polona street, district 1, Bucharest, postal code 010494, to the attention of the Communication and Public Relations Department;

The specific provisions regarding the application of the more favorable taxation quota are provided in the Fiscal Code for the non-resident contributors of a member state of the European Union.

In case the tax residency certificate together with "the application for back transfer of the net dividends distributed by SNN – Legal persons/other entities" are presented after 23.10.2017, but not later than 15.12.2017, SNN will retain, on the payment date (03.11.2017), the standard dividend tax provided by the Romanian Fiscal Code, following that any remaining tax due to the shareholders be paid after the submission and verification of the documentation, if after the reception and verification it results that the shareholder is entitled to a lower rate of tax than the standard one provided by the Romanian Fiscal Code.

13. Will SNN withhold tax per dividend prior to dividend payment?

Yes, the withholding tax per dividend shall be deducted prior to payment, at the legal tax rate, for all the situations that provide the retention of the dividend tax.

14. Who bears the dividend payment related fees?

The tax charged by Depozitarul Central S.A. which includes the bank fees charged by BRD for the payment of the net dividends in lei are borne by SNN. **BRD shall not charge the shareholders for any bank fee to pay the dividends in lei** for both cash payments and payments by bank transfer into accounts opened both in Romania and abroad.

15. Can I receive shares instead of money for my dividends?

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No, dividends are received only in the form of money. If you want to purchase new shares, you can reinvest the amount received as dividend in new SNN shares by buying them directly from the market.

16. In case of a non-resident investor, should the dividends be declared in the statement of income in the country of tax residence?

It is possible that the non-resident investors be required to declare dividends in the statements of income in their country of residence. Therefore, it is recommended that they seek specialized professional support related to tax obligations in their country of residence in relation with the dividends received from SN Nuclearelectrica SA.

17. What is the procedure in case of the non-resident shareholders?

For individual, legal and other entities shareholders who, on the registration date 17.10.2017, hold shares in Section II of the SNN Shareholders' Registry, in an account opened with a Participant, **the amounts due will be automatically paid by bank transfer** through the Depozitarul Central on behalf of SNN, on the payment date 03.11.2017, **in the Participant's account**, without presenting additional documents.

The non-resident shareholders, who have bank accounts opened with the Participants (Broker/Custodian Bank) as well, respectively, those who don't have bank accounts opened with the Participants and opt for payment by bank transfer or through the payment agent BRDS Groupe Société Générale and who wish for the application of the more favorable provisions of the Double Tax Treaty concluded between Romania and their country of residence, in the case that the non-resident shareholders benefit o a tax lower that 5%, must send or submit, either through the Participant if they have an account opened with a Participant or directly, if they don't have an account opened with a Participant, at SN Nuclearelectrica S.A. headquarters on 65 Polona street, District 1, Bucharest, ZIP 010494, for the attention of the Communication and Investors Relations Department, until **23.10.2017, inclusive, the valid tax residency certificate for the year of the dividend payment, **in original or legalized copy**, with apostille/supra-authentication, if applicable, accompanied by the authorized translation, as well as contact details for possible clarifications regarding the tax residency certificates. If after the verification of the tax residency certificate and the more favorable provisions of the Double Tax Treaty it results that a more favorable rate, provided in the Double Tax Treaty, may be applied, then on the payment date, the shareholders will receive the net dividends with the application of that quota. Otherwise, SNN will retain the standard dividend tax provided by the Romanian Fiscal Code.**

In case the tax residency certificate together with "the application for back transfer of the net dividends distributed by SNN – Legal persons/other entities" are presented after **23.10.2017, but not later than 15.12.2017, SNN will retain, on the payment date (03.11.2017), the standard dividend tax provided by the Romanian Fiscal Code, following that any remaining tax due to the shareholders be paid after the submission and verification of the documentation (within the term of the fiscal prescription, respectively, of the dividend payment)**, if after the reception and verification it results that the shareholder is entitled to a lower rate of tax than the standard one provided by the Romanian Fiscal Code.

As per the Law no. 207/2015 regarding the Fiscal Procedure Code as well as the Law no.

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3249/03.11.2016 regarding the modification and update of the Order of the President of the Fiscal Administration National Agency no. 3698/2015 for the approval of the contributors fiscal registration documentation and of the fiscal obligations types which form the legal vector, **SNN non-resident natural and legal person shareholders have the obligation to fiscally register in Romania, by submitting the Fiscal Registration Declaration 015 (for non-resident legal persons shareholders) and 030 (for non-resident natural persons shareholders) to the competent fiscal authority in Romania, in order to obtain the fiscal registration code.**

Additional information regarding these declarations and the fiscal registration code can be found in the notice regarding the payment of dividends distributed as per the provisions of art. II and art. III of Government Emergency Ordinance no. 29/2017.

19. Can the shareholders who have accounts opened with the Participants cash in their dividends in cash/bank transfer at BRD cash desks?

No, all the shareholders who have accounts opened with the PARTICIPANTS, **cannot** cash in their dividends in cash/bank transfer at BRD cash desks.

For individual, legal and other entities shareholders who, on the registration date 17.10.2017, hold shares in Section II of the SNN Shareholders' Registry, in an account opened with a Participant, **the amounts due will be automatically paid by bank transfer** through the Depozitarul Central on behalf of SNN, on the payment date 03.11.2017, **in the Participant's account**, without presenting additional documents.

20. What is the General Meeting of Shareholders (GMS)?

The General Meeting of Shareholders (GMS) is the company's main body of corporate governance, that decides on the company's activity, economic and business policy. The General Meetings of Shareholders may be Ordinary and Extraordinary. GMS is convened by the Board of Directors whenever necessary, in accordance with the legal provisions and with the Articles of Incorporation or at the request of shareholders representing, individually or collectively, at least 5% of the share capital, and provided that the request contains provisions which fall under the assembly's obligations and responsibilities. Only the shareholders registered in the company's Register of the Shareholders on the reference date are entitled to participate and vote in the General Meeting of Shareholders.

21. What is the reference date?

The reference date is the calendar date set by SNN's management based on the applicable regulations and provided in the GMS's convening notice for identifying the shareholders who will attend and vote within the GMS. Only the shareholders registered in the Register of the Shareholders on the reference date are entitled to attend and vote within such General Meetings of Shareholders. The reference date is subsequent to the date of the convening notice publication. The reference date for the GMS convened on 28.09.2017 was 15.09.2017.

22. What is the registration date?

The registration date is the calendar date set by GMS and it serves to identify the shareholders who are going to benefit from dividends or other rights and who are affected by the GMS's resolutions. The registration date is subsequent to the date of the General Meeting of

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Shareholders by at least 10 working days. The registration date set by SNN' GMS dated 28.09.2017, which approved the dividend distributed as per the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017, is 17.10.2017.

23. Can dividends be received on behalf of another person?

In case of shareholders who do not present in person, but **empower a different person** for such purposes, the dividends shall be paid to the respective empowered person based on the following documents: special power of attorney legalized by a public notary, which contains the mandate to receive the dividends issued by no more than 3 years before the payment date, except where the power of attorney has a duration of more than 3 years and is still valid on the date of payment + 1 certified as a „true copy” photocopy (the photocopy will be retained) and the identification document of the representative + 1 certified as a „true copy” photocopy (the photocopy will be retained).

As per the new legal provisions, payments shall not be authorized based on **certificates of inheritance** and neither to the shareholders whose identification data does not match the documents presented at the cash desk or the ones registered with the payment agent. In case the Shareholders' Registry on 17.10.2017 includes deceased persons, the dividends will be paid only after the request of the heir(s) and the registration at the Depozitarul Central of the direct transfer of ownership on the securities as an effect of succession, as per the legal applicable regime, as well as after the update of the information in the registry of the payment agent, following the request of Depozitarul Central. In case a shareholder is not included in the shareholders' database owned by the payment agent BRD, the shareholder is kindly asked to contact Depozitarul Central in order to remedy the situation.

24. When can the payment forms be transmitted?

As of 03.11.2017 you may come at BRD desks to request payment in cash or by bank transfer. The requests for payment into a bank account can also be transmitted before such date, by mail, to Directia Titluri - BRD METAV- Corp A2, Str. Bihar nr. 67- 77, sector 1, Bucharest, Romania, in which case all documents provided in the payment forms must be submitted in legalized copy except the ascertaining certificate from the Trade Register Office (original or copy). In all cases, the payment of dividends distributed as per the provisions of art. II and art. III of the Government Emergency Ordinance no. 29/2017 is made by BRD starting with 03.11.2017

The “Application for payment by bank transfer of the net dividends distributed by SN Nuclearelectrica S.A. – Individual shareholders” and the “Application for payment by bank transfer of the net dividends distributed by SN Nuclearelectrica S.A. – Legal/other entities shareholders” may be accessed on SNN's website in the Investor relations/2017 Additional dividends section or on the website of BRD www.brd.ro or can be requested at any BRD desk in Romania.

25. How long after submitting the payment request is the payment of net dividends made?

BRD shall make the net dividend payment within maximum two banking days (or ten banking days in case of non-resident shareholders who submit certificates of tax residence) from the date BRD receives the payment request accompanied by the complete and accurate supporting documents. The crediting date of the shareholders' bank accounts depends on the inter-banking

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circuit and on the correspondent banks chain.

26. What should I do if I do not get the money within the time specified in the payment forms?

In this case you should directly contact BRD, which will investigate the situation without charging any cost or fee. Further information may be requested from BRD at the following e-mail address: titluri@brd.ro or at the following phone numbers: 021.200.83.87 or 021.200.83.72.

27. What should I do if the amount received does not correspond to the number of shares I own?

If you received an amount different from the expected one based on the number of shares you hold, then you should contact the Central Depository to request a statement of account on the registration date of 17.10.2017. This statement of account will confirm the number of shares owned, so that you can calculate the amount corresponding to the net dividend you are entitled to. If the amount still does not match, you can contact BRD at the e-mail address: titluri@brd.ro or at the following phone numbers: +4 021.200.83.87 or +4 021.200.83.72 or at SNN's e-mail address: investor.relations@nuclearelectrica.ro or phone number: +4 021.203.13.14.

Useful contact details:

**Societatea Nationala Nuclearelectrica SA
Communication and Investor Relations Department**

Phone: +4 021.203.13.14

Email: investor.relations@nuclearelectrica.ro

Depozitarul Central

IBAN code registration

Phone: +4 021.408.58.74

Email: dividende@depozitarulcentral.ro

Other information from Depozitarul Central:

Phone: 021.408.58.00 or 021.408.58.26

Email: dividende@depozitarulcentral.ro

BRD Groupe Société Générale

Phone: 021.200.83.72 or 021. 200.83.87

Email: titluri@brd.ro

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