



**Approved,
Board of Directors
Chairman
Alexandru Sandulescu**

NOTE
approving the proposals to amend the Articles of Association of the company
Societatea Națională Nuclearelectrica S.A.

1. General issues/powers

In accordance with the legal provisions in force, the Extraordinary General Meeting of Shareholders has the power to approve the proposed changes to the Articles of Association of Societatea Națională Nuclearelectrica S.A. (hereinafter "SNN").

The incident legal basis is represented by:

- Act of Companies no. 31/1990, republished, as amended and supplemented ("Law no. 31/1990");
- Law no. 297/2004 on the capital market ("Law no. 297/2004");
- Emergency Ordinance no. 86/2014 regarding some measures for re-organization in the central public administration and for amending and supplementing certain normative acts ("GEO no. 86/2014")

Art. 13 paragraph 3 letter n) of the Articles of Association of SNN in conjunction with the provisions of art. 113 letter m) of Law no. 31/1990 set that the Extraordinary General Meeting of Shareholders has the power to approve the proposals for amending the Articles of Association.

2. Presentation

The Articles of Association is a complex legal document representing the Company's will and being assumed by all shareholders, being, from this perspective, the expression of a plurality of individual wills. The amendment of the Articles of Association stands for the result of the vote in the General Assembly of Shareholders, and the effect of the social will constituted by the vote in the general meeting.

In accordance with Art. 3 paragraphs (3) and (5) of the Emergency Ordinance no. 86/2014, in conjunction with Art. 119 paragraph (1) of Law no. 31/1990, the Ministry of Energy, Small and Medium Companies and Business Environment on behalf of the Romanian state, majority shareholder, holding 81.2705% of the share capital of SNN, by letter no. 150619/12.02.2015 requested the Board of Directors to convene an extraordinary general meeting of shareholders for discussion and subsequent approval by shareholders in order to change the Articles of Association of the Company, as follows:

Article 7 is amended as follows:

Art. 7

(1) The share capital of the Company is 3,012,210,410 lei, fully subscribed and paid by the shareholders. The share capital is divided into 301,221,041 registered shares issued

- in dematerialized form, each with a nominal value of RON 10.00 each.*
- (2) *The share capital is owned by the following shareholders, as follows:*
- a) the Romanian state through the Ministry of Energy, Small and Medium Companies and Business Environment (the competent ministry), has a total of 248,443,809 shares with a total value of 2,484,438,090 lei, which corresponds to 82.48% of the share capital of the Company;*
 - b) SC Fondul Proprietatea S.A. owns a total of 27,408,381 shares with a total value of 274,083,810 lei, which corresponds to 9.10% of the share capital of the Company;*
 - c) Other shareholders, Romanian and foreign natural persons and legal entities, owning a total of 25,368,851 shares with a total value of 253,688,510 lei, representing 8.42% of the share capital of the Company.*

Amendment of Article 7 occurs as the name of the majority shareholder namely the Ministry of Economy changed and became the Ministry of Energy, Small and Medium Companies and Business Environment, according to Art. 3 paragraph 3 letter b) of the Emergency Ordinance no. 86/2014.

Besides the modification of article 7 mentioned above, the shareholders are proposed to amend art. 20 of the Articles of Association which aims to clarify the company's management delegation by the Board of Directors in the sense that the Board of Directors delegates the management of the company to one or more directors, one of them being appointed CEO. The Extraordinary General Meeting of Shareholders dated 29.04.2014 has approved the new Articles of Association of the Company which provides that the Board of Directors delegates the management of the company to one or more directors, one of them being appointed CEO.

The Extraordinary General Meeting of Shareholders dated 31.07.2014, at the request of the majority shareholder of the Company, the Department of Energy, amended the article 20 paragraph 1 of the Articles of Association specifying that the CEO appointing will be delegated while the following paragraphs refer to the work of the CEO and the Directors appointed by the Board of Directors with mandate contract. Also, according to article 143 paragraph 1 of Law no. 31/1990 "The Board of Directors may delegate the Company's management to one or more directors, one of them being appointed CEO."

The proposal for the amendment is the following one:

Article 20 is amended as follows:

Art. 20 (1) The Board of Directors delegates the management of the company to one or more directors, appointing one of them as CEO. The person appointed as CEO may be either one of the directors (and becomes an executive director) or a person outside the Board. In the Board of Directors an only director can be executive director. According to the Articles of Association "Director" means the person delegated with Company's management responsibilities by decision of the Board of Directors. This person concludes a contract of mandate with the Company, in accordance with the provisions of the Companies Act No. 31/1990, republished, as amended and supplemented.

A third amendment relates in fact a supplement to Article 8 of the Articles of Association, completing the proposals arising from issues 7 and 8 on the agenda of the Extraordinary General Meeting of Shareholders regarding the authorization of the Board of Directors to increase the share capital by issuing new shares in exchange for contributions to shareholders, up to a value of **3,016,200,000 lei** authorized capital representing a contribution in kind of the Romanian state, represented by the Ministry of Energy, Small and Medium Companies and Business Environment, after obtaining the certificate issued by the Ministry of Economy no. 12900 Series

M03 attesting the ownership upon the 239.05 sqm undivided share of the land located in Bd. Gheorghe Magheru no. 33 Bucharest and the certificate issued by the Ministry of Economy M03 Series no. 9462/04.02.2005 attesting the ownership upon the land "Guard building and access way" in the town of Saligny, Constanta county and the cash contribution of other shareholders, in exercising the preference right by the other shareholders in exchange for the contribution in kind of the Romanian state through the Ministry of Energy, Small and Medium Companies and Business Environment.

The proposal for the amendment is the following one:

Article 8 is supplemented with paragraph (7) as follows:

*(7) According to article 220¹ of Law no. 31/1990, the Board of Directors is authorised that within one year to increase the share capital by issuing new share in exchange for the shareholders contribution up to a value of the authorised capital equal to **3,016,200,000 lei** representing:*

- *The contribution in kind of the Romanian State represented by the Ministry of Economy, Small and Medium Companies and Business Environment after obtaining the certificate issued by the Ministry of Economy no. 12900 Series M03 attesting the ownership upon the 239.05 sqm undivided share of the land located in Bd. Gheorghe Magheru no. 33 Bucharest and the certificate issued by the Ministry of Economy M03 Series no. 9462/04.02.2005 attesting the ownership upon the land "Guard building and access way" in the town of Saligny, Constanta county; the contributions in kind will be evaluate by assessors appointed by the Trade Register Office according to art. 215 of Law no. 31/1990; the evaluation method takes into account the provisions of art. 6 of GD no. 834/1991, corroborated with the provisions of art. 143 of GD no. 577/2002;*
- *The cash contribution of the other shareholders in exercising the preference right by the other shareholders in exchange of the contribution in kind of the Romanian State through the Ministry of Energy, Small and Medium Companies and Business Environemnt;*

The Decision of the Board of Directors to increase the share capital will be published in the Official Gazette of Romania, part IV.

3. Proposals

Given the above-mentioned, we request the Extraordinary General Meeting of Shareholders to approve the amendment of the Articles of Association of the Company, as follows:

Article 7 is amended as follows:

*Art. 7 (1) The share capital of the Company is **3,012,210,410 lei**, fully subscribed and paid by the shareholders. The share capital is divided into **301,221,041** registered shares issued in dematerialized form, each with a nominal value of RON 10.00 each.*

(2) The share capital is owned by the following shareholders, as follows:

*a) the Romanian state through the Ministry of Energy, Small and Medium Companies and Business Environment (the competent ministry), has a total of **248,443,809** shares with a total value of **2,484,438,090 lei**, which corresponds to 82.48% of the share capital of the Company;*

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Art. 8 is supplemented by paragraph (7) as follows:

(7) According to article 220¹ of Law no. 31/1990, the Board of Directors is authorised that within one year to increase the share capital by issuing new shares in exchange for the shareholders contribution up to a value of the authorised capital equal to 3,016,200,000 lei representing:

- *The contribution in kind of the Romanian State represented by the Ministry of Economy, Small and Medium Companies and Business Environment after obtaining the certificate issued by the Ministry of Economy no. 12900 Series M03 attesting the ownership upon the 239.05 sqm undivided share of the land located in Bd. Gheorghe Magheru no. 33 Bucharest and the certificate issued by the Ministry of Economy M03 Series no. 9462/04.02.2005 attesting the ownership upon the land "Guard building and access way" in the town of Saligny, Constanta county; the contributions in kind will be evaluated by assessors appointed by the Trade Register Office according to art. 215 of Law no. 31/1990; the evaluation method takes into account the provisions of art. 6 of GD no. 834/1991, corroborated with the provisions of art. 143 of GD no. 577/2002;*
- *The cash contribution of the other shareholders in exercising the preference right by the other shareholders in exchange of the contribution in kind of the Romanian State through the Ministry of Energy, Small and Medium Companies and Business Environment;*

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Article 20 is amended as follows:

Art. 20 (1) The Board of Directors delegates the management of the company to one or more directors, appointing one of them as CEO. The person appointed as CEO may be either one of the directors (and becomes an executive director) or a person outside the Board. In the Board of Directors an only director can be executive director. According to the Articles of Association "Director" means the person delegated with Company's management responsibilities by decision of the Board of Directors. This person concludes a contract of mandate with the Company, in accordance with the provisions of the Companies Act No. 31/1990, republished, as amended and supplemented.

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