

**PROCEDURE**  
**FOR ORGANIZING AND CONDUCT**  
**OF**  
**THE GENERAL MEETINGS OF SHAREHOLDERS**  
**OF**  
**AEROSTAR S.A.**

**Approved in the Board of Directors meeting on 08.11.2017**

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## Chapter I. Introductory Notes

### *Scope*

This procedure sets the regulations for the proceedings of the General Meetings of Shareholders of AEROSTAR S.A.

### *Reference documents*

The General Meeting of Shareholders (“GMS”) of AEROSTAR S.A. (“ARS” or “Company”) is conducted according to the provisions of:

- a) **Law no. 297/2004** regarding the capital market, with its subsequent modifications and completions;
- b) **Law no 24/2017** regarding the issuers of financial instruments and market operations
- c) **Companies Act no.31/1990**, republished, with its subsequent modifications and completions;
- d) **Regulation of the National Securities Exchange Commission (CNVM) no. 1/2006** with reference to issuers and operations with securities, with its subsequent modifications and completions;
- e) **Regulation of the National Securities Exchange Commission (CNVM) no.6/2009** with reference to the rights of the shareholders in the general meetings of the companies, with its subsequent modifications and completions;
- f) **Constitutive Deed of AEROSTAR S.A.**;
- g) **This procedure** regarding the organization and conducting the GMS.

### *The main attributes of OGMS (Ordinary Meeting of Shareholders)*

According to the Constitutive Deed, the OGMS (Ordinary Meeting of Shareholders) has the following main attributes:

- a) to discuss, approve or modify the annual financial statements on the basis of the reports submitted by the Board of Directors, the financial auditor, and to set the dividend;
- b) to elect and dismiss the members of the Board of Directors;
- c) to appoint or revoke the financial auditor and to set the minimum duration of the financial audit contract;
- d) to set the remuneration for the Board members for the current year;
- e) to decide on the administration performed by the Board of Directors;
- f) to set the budget of revenues and expenses and, as applicable, the activity programme for the next financial year;
- g) to delegate the executive management attributes for the company to its General Director;
- h) to decide the pledge, rent / lease or dissolution of one or several units of the company.
- i) to review the reports of the Board of Directors regarding the economic - financial situation, the status of execution of the investments, as well as the status and perspectives and the status and prospects of the company regarding the profit and dividends, the market position on the domestic and international, the technical level, quality, manpower, environment protection, relations with the customers.
- j) to set the date of the Shareholders’ Register in order to identify the shareholders who are to receive dividends or other rights and on whom are applicable the resolutions of the General Meeting of Shareholders. This date, also called the Record Date, shall be set subject to the legal period.
- k) to set, if applicable, the gross dividend per share. Once the dividend is set, the General Meeting of Shareholders shall also set the deadline for payment of the dividend to the

shareholders. This deadline shall not exceed 6 months from the date of approval of the annual financial statements for the previous financial year;

**l)** to set the general conditions and the specific terms to be provided in the administration agreements; these mentioned contracts shall include at least the following specific terms and conditions: the scope of the agreement, obligations of the parties, the contract value (allowances, other rights), the contract duration, terms and conditions for unilateral termination, force majeure and termination;

**m)** to appoint the person (s) who will prepare and sign in the name of the company the administration agreements, according to the specific terms and conditions established by the General Meeting of Shareholders.

### ***The main attributes of EGMS (Extraordinary Meeting of Shareholders)***

According to the Constitutive Deed, the EGMS (Extraordinary Meeting of Shareholders) has the following main attributes:

- a) to change the legal form of the company;
- b) to move the company headquarters;
- c) to change the scope and the main object of activity of the company;
- d) to increase the share capital;
- e) to decrease the share capital or to replenish it by issuing new shares;
- f) to merge with other companies or divide the company;
- g) the anticipated dissolution of the company;
- h) to convert the nominative shares into bearer's shares;
- i) to convert the shares from one category to another;
- j) to convert a category of securities into another category or into shares;
- k) to issue securities;
- l) to decide regarding the long-term bank loans;
- m) to decide in any other issue concerning the company.

## **Chapter II. Convening of the GMS (General Meeting of Shareholders)**

### ***Terms of Convening***

The General Meetings of Shareholders are convened by the Board of Directors of AEROSTAR S.A.

The Convening of the GMS is made at least 30 days before the date of holding the meeting, by the publication of the Convening Notice in a widespread newspaper and in the Official Gazette Part IV, by transmitting press releases to the BVB (Bucharest Stock Exchange) and ASF (Financial Supervisory Authority) according to their special regulations, as well as on the Company website.

The GMS may be convened, based on the decision of the Board of Directors, by the President of the Board of Directors or, in his absence, by the Vicepresident, whenever it is the case, or on request by the shareholders representing at least 5% of the share capital, if the request indicates the items to be included on the agenda and includes dispositions which are the attributes of the General Meeting of Shareholders.

The shareholders' request shall be submitted to the company in the form of a registered letter in the attention of the President of the Board of Directors.

For the valid use of this right, the natural person shareholders shall also forward to the company the copy of their identity card (BI / CI / Passport / Residence Permit) while the legal person shareholders shall also present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or

certified copy conforming with the original, not older than 3 months before the date of the Convening Notice).

The company may also ask the respective shareholders to present the account statement which indicates the status as a shareholder and the number of shares held, issued by Depozitarul Central or, as applicable, by the participants who provide custody services.

The documents presented in a foreign language other than English (except for the identity documents valid in Romania) shall be accompanied by a translation made by a sworn translator, in Romanian or English.

In case the Board of Directors is unable or refuses to convene the GMS, the convening request shall be addressed to the court of jurisdiction at the Company's headquarters.

In any case, the President of the Board of Directors shall immediately notify the Board of Directors as to the request to convene a GMS.

In case of a valid convening request received from shareholders representing at least 5% of the share capital, the GMS shall be convened within 30 days since the request is filed at the Company and will be held no later than 60 days from the receipt of the request.

### *Convening Notice*

The Convening Notice shall be written in Romanian and English and shall comprise at least the following information:

- a. the name of the issuer;
- b. the date, starting hour and place of the GMS for the first and the second convening date, respectively;
- c. the proposed agenda;
- d. the clear and accurate description of the procedures to be followed by the shareholders in order to attend and vote in the GMS, including:
  - the shareholders' rights to introduce new items on the agenda of the GMS, provided that each such item is accompanied by a justification or a draft resolution to be adopted by the GMS, to submit draft resolutions for the items included or to be included on the agenda of the GMS, to the extent that those rights can be used after the convening, and to ask questions related to the items on the agenda of the GMS, and the deadlines when such rights can be used;
  - the procedure for voting by proxy (by representation), as well as the fact that for this type of voting the proxy forms must be used, how to obtain such forms for representation in the GMS, due date and place where such documents must be filed/ received, as well as the means by which AEROSTAR S.A. can accept the notification for designating representatives by electronic means;
  - the procedures which allow voting by correspondence or by electronic means, if applicable;
- e. the reference date, as well as the mention that only the persons who are shareholders on such date are entitled to attend and vote at the GMS;
- f. if the agenda comprises also the election of directors, the Convening Notice shall specify that the list with information regarding the name, place of residence and professional background of the persons proposed for election as director, is available for the shareholders and can be consulted and completed by them, as well as the deadline until which they can make proposals for candidates for the positions of directors;
- g. if the agenda includes proposals to modify the Constitutive Deed, the Convening Notice shall include the full text of the proposals;
- h. the place where it is possible to obtain the full text of the documents to be presented to the GMS and the draft resolutions, other information regarding the items on the agenda of the GMS and the date since they become available, as well as the procedure to be followed in this regard;
- i. the company's website where the above mentioned information is going to be available;

j. the proposal regarding the record date and, if applicable, the proposal regarding the *ex date* and the payment date.

### ***Shareholders' right to introduce new items on the agenda of the GMS***

Within 15 days since the date when the Convening Notice is published, the Company's shareholders holding at least 5% of the share capital can submit written proposals to the Board of Directors for completion of the agenda, and such proposals are to be included on the agenda.

Each new item proposed must be accompanied by a justification or a draft resolution for approval by the GMS.

For the valid use of this right, the natural person shareholders shall also forward to the Company the copy of their identity card (BI / CI / Passport / Residence Permit).

The status of legal representative of the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central SA.

However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or such information is not specified on the list of AEROSTAR's shareholders as on the reference date received from Depozitarul Central, then the legal person shareholders shall also present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or certified copy conforming with the original, not older than 3 months before the date of the Convening Notice for the GMS).

The documents presented in a foreign language other than English (except for the identity documents valid in Romania) shall be accompanied by a translation made by a sworn translator, in Romanian or English.

The proposals for completing the agenda along with the above mentioned documents shall be sent by registered letter with acknowledgement of receipt/ by courier, in a sealed envelope, clearly stating on the envelope "For the General Meeting of Shareholders on the date of (...)" in such a way as to be registered as received at the Company's registry desk, until the date mentioned in the Convening Notice.

The agenda thus completed shall be transmitted to the company's shareholders by registered letter to the addresses of the shareholders specified in the Shareholders' Register of the Company, as well as through the communication system administered by the Company, at least 10 days before the date mentioned in the initial Convening Notice for GMS on the first convening date.

### ***Documents related to and in connection with the agenda of the GMS***

The Company has the obligation, throughout the period beginning at least 30 days before the GMS and until the date of the meeting inclusively, to make available to the shareholders, on its website, the following information, both in Romanian and English:

- a) the Convening Notice;
- b) the total number of shares and the voting rights at the convening date;
- c) the documents to be presented to the GMS;
- d) a draft resolution or, if no resolution is proposed to be adopted, a comment from a competent body of the Company, who is named according to the applicable law, for each item on the proposed agenda for the GMS; moreover, the draft resolutions submitted by the shareholders

shall be added to the Company's website as soon as possible, after their receipt by the Company;

e) the special/ general proxy forms to be used for voting by proxy, as well as the forms to be used for voting by correspondence.

### ***Shareholders' right to ask questions related to the items on the agenda of the GMS***

Each shareholder has the right to submit written questions concerning the items on the agenda of the GMS.

Each shareholder has the right to ask the Board of Directors questions about the items on the agenda of the GMS, before the date of the GMS, and receive the answer within the period stipulated in the Convening Notice or during the meeting.

For the valid use of this right, the natural person shareholders shall also forward to the Company the copy of their identity card (BI / CI / Passport / Residence Permit).

The status of legal representative of the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central. However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or this information is not specified in the list of AEROSTAR's shareholders as on the reference date received from Depozitarul Central, the legal person shareholders shall present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or certified copy conforming with the original, not older than 3 months before the date of the Convening Notice for the GMS).

The documents presented in a foreign language other than English (except for the identity documents valid in Romania) shall be accompanied by a translation made by a sworn translator, in Romanian or English.

The questions asked and the above mentioned documents shall be sent by registered letter with acknowledgement of receipt/ by courier, in a sealed envelope, clearly stating on the envelope "*For the General Meeting of Shareholders on the date of (...)*" in such a way as to be filed as received at the Company's registry desk, until the date mentioned in the Convening Notice.

The Company has the obligation to answer the questions asked by the shareholders.

The right to ask questions and the obligation to respond can be subject to the measures that the Company can take to provide the identification of the shareholders, the proper conduct and preparation of the GMS, as well as the protection of confidentiality and of its commercial interests.

The Company may give a general answer to the questions with the same content.

The response is considered to be given if the relevant information is available on the Company's website, in the question-answer format.

### **Chapter III. Significant data**

#### **Reference Date**

The Reference date is the calendar date set by the Board of Directors, which serves to identify the shareholders who are entitled to attend and vote in the GMS.

The reference date is set in such a way that:

- it is subsequent to the publication date of the Convening Notice and prior to the General Meeting of Shareholders (*art. 2 letter d) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009, updated*);

- it does not exceed 60 days before the date when the GMS is convened first time (*art. 123 para. 2 of Law no. 31/1990*);

- it is not earlier with more than 30 days before the GMS date to which it applies, (*art. 10 para 1 letter a) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009, updated*);

- there is a period of at least 8 days between the accepted deadline for convening the GMS and the reference date; in calculating this period these two dates are not included (*art. 10 par. 1 letter b) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated*);

- it is earlier than the deadline when the proxys can be filed / sent to the Company (*art. 10 par.1 letter b) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated*);

- it is at least one day after the deadline when one or several shareholders, representing at least 5% of the share capital, can request introducing new items on the agenda and present draft resolutions for them (*art. 7 para. 4 of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated*).

#### **Record Date**

The record date is the calendar date set by the GMS, which serves to identify the shareholders who will benefit from dividends or other rights and on whom are applicable the effects of the GMS resolutions (*art. 2 letter e) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated*). This date will be subsequent with at least 10 working days after the GMS date.

#### **Ex Date**

The Ex date is the date prior to the record date with a reimbursement cycle minus one working day, after which the financial instruments which are object of the resolutions of the company bodies are traded without the rights deriving from such resolution (*art. 2 letter f) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated* ).

#### **Payment Date**

The Payment date is the calendar date when the distribution of the revenues arising from the ownership of securities, in cash or securities, becomes certain (*art. 2 letter g) of the NSEC (National Securities Exchange Commission) Regulation no. 6/2009 updated*). The payment Date must be set in such a way as to be a working day subsequent with at least 15 working days after the Record Date (*art.129<sup>3</sup> of the Regulations no 1/2006 updated*).

### **Chapter IV. Shares and voting rights**

Each share entitles to one vote in the company's GMS, within the limitations provided by the Constitutive Deed and the Law 297/2004 modified and completed by the Law no 24/2017.

The GMS is attended by all the shareholders entitled to vote and by those whose voting right is suspended subject to law and the Constitutive Deed. The shareholders whose voting right is



suspended will not be taken into account in determining the presence quorum and the voting quorum, they only have the right to attend the GMS.

## **Chapter V. Representation of the shareholders in GMS**

The shareholders registered as on the reference date can attend the GMS

- directly (in person / by legal representative)
- by representatives, based on proxy or
- by correspondence.

### ***Direct participation (in person / by legal representative)***

The identity of the shareholders attending in person or by legal representative is proved as follows:

**a) in case of natural person shareholders, by presenting:**

- the identity document (BI / CI / Passport / Residence Permit); the identity documents submitted by the shareholders must permit their identification in the list of shareholders of AEROSTAR S.A. on the reference date issued by Depozitarul Central SA;

**b) in case of legal person shareholders, by presenting:**

- the identity document of the legal representative (BI / CI / Passport / Residence Permit);  
- the status of legal representative of the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central. However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or this information is not specified in the list of AEROSTAR's shareholders as on the reference date received from Depozitarul Central, the legal person shareholders shall also present an official document issued by a competent authority certifying the quality of legal representative of the signatory, in original or certified copy conforming with the original, not older than 3 months before the date of the Convening Notice for the GMS;

The documents presented in a foreign language other than English shall be accompanied by a translation made by a sworn translator, in Romanian or English.

### ***Attending by representatives***

Each shareholder registered as on the reference date shall be entitled to appoint any other person, natural or legal person, as representative to attend and vote on his/her behalf in the GMS, based on a special or general proxy.

A shareholder can appoint only one person as a representative in a certain GMS.

However, if a shareholder holds shares of the company in several securities accounts, this restriction will not prevent appointing a separate representative for the shares held in each securities account with reference to a certain GMS. This provision is without prejudice to the provisions according to which a shareholder is forbidden to express different votes in respect of the shares held by him/ she in the same company.

A shareholder can appoint by proxy one or more alternate representatives to assure representation in the General Meeting if the representative appointed according to the above provisions is unable to fulfil such mandate. In case the proxy designates several alternate representatives, the sequence to use the mandate shall be also specified.

A person acting as a representative may represent several shareholders, the number of shareholders so represented being unlimited.

***ProxyForm***  
***Special Proxy***

The special proxy must be in the form established by the Company and comprise specific voting instructions for each item on the agenda (i.e. vote "for", "against" or "abstain").

The special proxy can be given to any person for representation in a single GMS and contains specific voting instructions from the shareholder issuing such proxy.

The special proxy is valid only for the GMS for which it was requested and the representative is bound to vote according to the instructions issued by the shareholder who appointed him.

The special proxy must necessarily comprise:

1. the name/ designation of the shareholder and shareholding held vs the total shareholding in the same category and total number of voting rights;
  2. the name/ designation of the representative (who holds the special proxy);
  3. date, time and place of meeting of the GMS referred to;
  4. date of the special proxy; the special proxies bearing a later date cause the previously dated proxies to be revoked;
  5. clear indication of each item submitted to the vote of the shareholders, with the possibility to vote "for", "against" or "abstain";
  6. in case the agenda includes the election of the directors, each candidate for the Board of Directors will be written separately, the shareholder having the possibility to vote "for", "against" or "abstain" for each candidate, and also to mention the number of cumulative votes given to each, in case the election would be made by the cumulative voting method.
- In the situation where the shareholder fails to make any clarifications regarding the allocation of the cumulative voting while the election of the directors is made by the cumulative voting method, the cumulative votes of the respective shareholder will be distributed equally by the representative to the candidates for whom the shareholder voted "for".

After completing and signing the special proxies for the representation of the shareholders in the GMS, one original of the special proxy will be filed/ transmitted in such a way as to be registered as received at the registry desk of the company until the date specified in the Convening Notice, stating clearly on the envelope "For the General Meeting of Shareholders on the date of (...)".

***Support documents for the special proxy***

For the valid use of this right, the natural person shareholders shall also forward to the Company the copy of their identity card (BI / CI / Passport / Residence Permit).

The status of legal representative for the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central. However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or this information is not mentioned in the list of AEROSTAR's shareholders as on the reference date, received from Depozitarul Central, then the legal person shareholders shall also present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or certified copy conforming with the original, not older than 3 months before the date of the Convening Notice for the GMS).

The documents presented in a foreign language other than English shall be accompanied by a translation made by a sworn translator, in Romanian or English.

The special proxies must be filed at the company's headquarters in original, signed and, as applicable, stamped, without other formalities related to the form of such documents, within the time specified in the Convening Notice.

Under the penalty of losing the right to vote in the GMS, the special proxies must be filed in original, no later than 48 hours before the first convening date for the meeting.

Also, the special proxies may not be taken into account under the following circumstances:

- do not contain the identification data of the shareholder,
- do not contain the identification data of the representative,
- are not accompanied by the documents mentioned above,
- do not contain the name and authorized signature of the shareholder,
- the proxy does not comprise the essential elements mentioned in the Convening Notice and/ or applicable regulations.
- the proxies containing illegible, contradictory/ confusing or conditionally expressed voting options, will be taken into account for determining the presence quorum, but will not be considered in the calculation of the voting for the items on the agenda, where such vices occur.

### **General proxy**

The shareholder may grant a proxy valid for a period not exceeding three years, allowing such representative to vote on any matter debated during the GMS, on behalf of one or several companies identified in the proxy, including in matters regarding dispositions, provided that the proxy is granted by the shareholder, as a client of an intermediary or a lawyer.

The shareholders cannot be represented in the GMS based on a general proxy, by a person who is in a conflict of interest situation, which may arise in particular, in one of the following cases:

- a)** such a person is a majoritary shareholder of the Company, or of another entity, controlled by that shareholder;
- b)** such person is a member of an administration, management or supervisory body of the Company, of a majoritary shareholder or of an entity controlled as specified in letter a);
- c)** such person is an employee or an auditor of the Company or of a majoritary shareholder or of an entity controlled as specified in letter a);
- d)** such person is the spouse, relative or in-law up to the fourth degree, inclusively, of one of the natural persons specified in letter a)-c).

The person empowered cannot be substituted by another person. In case the empowered person is a legal entity, such person may exercise the mandate granted, through any person who is part of the administrative or management body, or of its employees.

The general proxy must comprise at least the following information:

- 1.** the name/ designation of the shareholder and shareholding held vs the total shareholding in the same category and total number of voting rights;
- 2.** the name/ designation of the representative (who holds the special proxy);
- 3.** the date of the proxy, and its validity period, subject to compliance with the provisions of art.92 para 13 of the Law no 24/2017; the proxies bearing a later date cause the previously dated proxies to be revoked;
- 4.** the specification that the shareholder empowers the representative to attend and vote on behalf of the shareholder by the general proxy in the GMS, with express indication of the company for which the respective proxy is to be used.

### ***Support documents of the general proxy:***

For the valid use of this right, the natural person shareholders shall also forward to the Company the copy of their identity card (BI / CI / Passport / Residence Permit).

The status of legal representative of the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central. However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or this information is not mentioned in the list of AEROSTAR's shareholders as on the reference date received from Depozitarul Central, then the legal person shareholders shall also present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or certified copy conforming with the original, not older than 3 months before the date of publication of the Convening Notice for the GMS).

Also, the shareholders shall also submit the proof that the empowered person acts as either an intermediary, or a lawyer, while the shareholder is the client of such representative.

The documents presented in a foreign language other than English shall be accompanied by a translation made by a sworn translator, in Romanian or English.

The proxies, prior to their first use, must be filed at the company 48 hours before the GMS or within the period stipulated by the Constitutive Deed of the Company, in copy, with the mention of "conforming with the original" signed by the representative. The certified copies of the proxies are retained by the Company, this being mentioned in the Minutes of the GMS.

The general proxies may not be taken into account under the following circumstances:

- were not filed to the Company 48 hours before the GMS;
- were not filed in certified copy signed by the representative;
- do not contain the identification data of the shareholder,
- do not contain the identification data of the representative,
- the date of the proxy and its validity period are not specified,
- do not expressly specify AEROSTAR S.A. as the Company for which that proxy is used,
- do not comprise the name and authorized signature of the shareholder,
- are not accompanied by the documents mentioned above,
- the duration of the representative's mandate has expired.

### ***Participation by correspondence***

The voting bulletins by correspondence must be in the form made available by the Company and must comprise specific voting instructions for each item on the agenda (i.e. vote "for", "against" or "abstain").

After completing and signing the voting bulletins by correspondence, the forms to be made available by the company, one original of the voting bulletin by correspondence shall be filed/transmitted, in such a way as to be registered as received at the registry desk of the Company until the date specified in the Convening Notice, stating clearly on the envelope "For the General Meeting of Shareholders on the date of (...)".

### ***Support documents for the voting bulletin by correspondence:***

For the valid use of this right, the natural person shareholders shall also forward to the Company the copy of their identity card (BI / CI / Passport / Residence Permit).

The status of legal representative of the legal person shareholders is acknowledged based on the list of AEROSTAR's shareholders on the reference date, received from Depozitarul Central. However, if the shareholders failed to inform Depozitarul Central in time regarding their legal representative or this information is not mentioned on the list of AEROSTAR's shareholders as on the reference date, received from Depozitarul Central, the legal person shareholders shall also present an official document certifying the status of legal representative of the signatory (evidence issued by a competent authority, in original or certified copy conforming with the original, not older than 3 months before the date of publication of the Convening Notice for the GMS).

The documents presented in a foreign language other than English shall be accompanied by a translation made by a sworn translator, in Romanian or English.

The voting bulletin by correspondence which are not registered at the Company's registry desk until the deadlines mentioned in the Convening Notice will not be taken into account to determine the presence and voting quorum in the GMS.

Also, the voting bulletins by correspondence may not be taken into account under the following circumstances:

- do not contain the identification data of the shareholder,
- do not contain the name and authorized signature of the shareholder,
- are not accompanied by the documents mentioned above.

The voting bulletin by correspondence comprising illegible, contradictory / confusing or conditionally expressed voting options, will be taken into account for determining the presence quorum, but will not be considered in the calculation of the votes for the items on the agenda, where such vices arise.

The centralization, verification and keeping the records of the voting bulletins by correspondence filed with the Company will be made by the technical secretaries appointed according to the law, who are to keep safely the documents, as well as the confidential character of such expressed votes, until the moment of voting on the issues of the related items on the agenda.

## **Chapter VI. *Attending and voting quorum***

The validation of the OGMS deliberations requires, at the first convening date, the presence of the shareholders holding at least half of the total number of voting rights ( $\geq 50\%$ ), while the decisions are made with the vote of the shareholders holding the majority of the expressed votes ( $> 50\%$ ).

If the OGMS fails because of the failure to meet the conditions applicable for the first convening date shown above, the meeting to take place on the second convening date may deliberate on the issues for the items on the agenda of the first meeting, irrespective of the share capital with voting right, held by the shareholders present, represented or who voted by correspondence, with the majority of the expressed votes ( $> 50\%$ ).

The validation of the EGMS deliberations requires, at the first convening date, the presence of the shareholders holding at least three quarters of the total number of voting rights ( $\geq 75\%$ ), while the decisions are made with the majority of the votes held by the shareholders present, represented or who voted by correspondence ( $> 50\%$ ).

If the EGMS fails because of the failure to meet the conditions shown above, the meeting to take place on the subsequent convening dates, may deliberate on the issues for the items on the agenda of the first meeting, in the presence of the shareholders representing at least half of the

total number of voting rights (>50%), with a majority of at least one third of the total number of voting rights( $\geq 1/3$ ).

The decisions regarding the modification of the main object of activity, decrease or increase of the share capital, changing the legal form, merger, dividing and dissolving the Company shall be validly adopted by a majority of at least two thirds ( $\geq 2/3$ ) of the voting rights held by the shareholders present, represented or who voted by correspondence.

## **Chapter VII. Methods to use the right to vote**

The GMS decisions are made by open vote. Secret vote is mandatory for appointing and revoking the members of the Board of Directors, for appointing, revoking or dismissing the financial auditor and for making the decisions when holding responsible the members of the Board of Directors, the Directors (in the meaning of the Law no 31/1990) or the financial auditor.

The GMS may decide on the use of the secret vote in other situations as well.

The shareholders registered on the *reference date* may attend and vote in the GMS:

- directly (in person / by legal representative)
- by representatives, based on proxy or
- by correspondence.

### ***Direct vote (in person) and the vote by proxy***

These two voting methods can be used subsequent to the proof of the identity by the shareholder/ representative.

The direct vote, as well as the vote by proxy, during the meeting, can be expressed using the voting bulletins.

At the entry in the meeting room, along with their registration, the shareholders receive the voting bulletins (open and/ or secret vote, as applicable) for all the items on the agenda of the Convening Notice, which bear the stamp of the Company and comprise the following information:

- name and surname, the name of the shareholder respectively, in case of open vote bulletin;
- number of voting rights held by the respective shareholder on the reference date (according to the shareholders' register), in case of open vote bulletin and secret vote bulletin;
- item / items on the agenda of the Convening Notice, each item to have next to it the ticking boxes indicative of the voting right with the following options: "For", "Against" or "Abstain".

For each item on the agenda, the President running the meeting will announce the opening of the voting session for that specific item, when the shareholders are to proceed to fill in the related voting bulletin, by ticking on/ marking a single option: "For", "Against" or "Abstain".

General rules for the valid use of the voting bulletin:

- *valid expressed vote* – marking on a single voting option (“For”, “Against”, “Abstain”);
- *non-expressed vote* – no voting option is marked;
- *void / annulled vote* – marking more voting options (“For”, “Against”, “Abstain”).

The voting bulletins shall be filled in until the President running the meeting announces the closing of the voting session for that item.

When the voting session is closed for a particular item, the voting is no longer possible for that item.

The secretary body of the meeting with the support of the technical secretary body will collect the voting bulletins, validate them and then proceed to counting the votes.

The voting bulletins related to an item on the agenda may not be taken into account in the following cases:

- (i) comprise contradictory or confusing options;
- (ii) are illegible;
- (iii) are conditionally expressed.

### ***Voting by correspondence***

The votes expressed by valid voting bulletins by correspondence will be taken into account to determine the vote together with those expressed during the meeting by direct vote.

The voting bulletins by correspondence which comprise illegible, contradictory/ confusing or conditionally expressed voting options, will be taken into account for determining the presence quorum, but will not be considered in the calculation of the vote for the items on the agenda, where such vices arise.

The centralization, verification and keeping the record of the voting bulletins by correspondence will be made by the technical secretaries appointed according to the law, who are to keep safely the records, as well as the confidential character of the expressed votes, until the time of voting on the issues related to the items on the agenda.

In case the shareholder who expressed the vote by correspondence attends in person or by a representative in the GMS, the vote by correspondence expressed for that GMS is annulled. In such a case the only vote taken into account is the voting expressed in person or by a representative.

If the person who represents the shareholder attending the GMS in person is other than the one who expressed the vote by correspondence then, in the purpose of the validity of his/ her vote, the representative must present at the meeting a written revoking of the vote by correspondence, signed by the shareholder or by the representative who voted by correspondence.

This is not necessary if the shareholder or such legal representative is present at the GMS.

## **Chapter VIII. After the GMS**

### ***Minutes of the GMS***

The minutes, signed by the President of the Board of Directors and the technical secretary will acknowledge on fulfilling the convening formalities, the date and place of the meeting, the present shareholders, number of shares, the summary of the debates, the resolutions adopted, and, if any of the shareholders requests, the declarations made by such shareholder during the meeting. The documents related to the convening, as well as the list of the shareholders' presence will be enclosed to the Minutes of the meeting.

The Minutes shall be written in the GMS registry. Any shareholder is entitled to obtain extracts, on his/her own expense, from the registry of the company's GMS meetings and deliberations.

### ***GMS resolutions***

The draft resolutions of the GMS are published on the Company's website, along with the other documents related to the GMS.

The GMS resolutions are drafted based on the minutes of the meeting and are signed by the person empowered by the shareholders to perform this activity.

The Company shall establish for each resolution at least the number of shares for which valid votes were expressed, the proportion of the share capital represented by such votes, the total number of valid votes expressed and the number of votes expressed "for" and "against" each of the resolutions and, if necessary, the number of abstentions.

In order to ensure the opposability by third parties, the GMS resolutions shall be submitted to the Trade Register office within 15 days after their adoption, to be mentioned in the Register and published in the Official Gazette of Romania, Part IV.

### ***Results of Voting***

The company, within maximum 15 days from the date of the GMS, shall publish the voting results on its website.

## **Chapter IX. General rules on conduct of the GMS meetings**

On the day and time indicated in the Convening Notice, the meeting will be opened by the President of the Board of Directors or by the person appointed by him ("President running the meeting").

Unless the necessary quorum is met within 30 minutes after the hour indicated in the Convening Notice for the GMS (or any other period specified by the running President, but no less than 15 minutes and no longer than 2 hours) or if, during the GMS, the quorum is no longer met, the respective GMS will be held in a new convening.

The running President conducts and closes the meeting, ensures that all the items on the agenda are discussed, proceeds to submitting to vote the draft resolutions arising from the debates and signs the minutes of the GMS.

The GMS will appoint a secretary, from among the present shareholders, in order to check the presence list and the minutes of the meeting, according to the law.

The running President shall appoint, from the employees of the Company, a technical secretary, to take part in the execution of the operations above indicated.

Each shareholder may enroll to take the floor in the debates during the GMS meeting by raising the hand only in connection with the subject matters of the items on the agenda.

In order to have the statements or the vote of a shareholder specifically noted down on the GMS minutes, such shareholder should specifically request this.

For the correct records in the minutes of the meeting, any shareholder speaking must specify the full name.

In order to provide for all the interested shareholders the possibility to take the floor in the meeting, each shareholder must limit his/her speech to maximum 3 minutes. If such limit is exceeded, the running President can request the respective shareholder to discontinue the speech.

**President of the Board of Directors,**

**Eng.**

**Grigore FILIP**