



**SOCIETATEA DE INVESTITII FINANCIARE  
TRANSILVANIA S.A.**

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**Societate administrată în sistem dualist**

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**No. 9694/24.11.2014**

**To: BUCHAREST STOCK EXCHANGE  
FINANCIAL SUPERVISORY AUTHORITY  
Financial Instruments and Investments Sector**

**CURRENT REPORT**

**According to the N.S.C. Regulation no. 1/ 2006**

**Report date: November 24, 2014**

S.I.F. Transilvania S.A.

Headquarters: 2, Nicolae Iorga Street, Brasov 500057

Telephone: +40 268 415529, 416171; Fax: +40 268 473215, 473216

Tax registration code: RO3047687

Order number in the Trade Register : J08/3306/92

Registration number in the NSC Register: PJR 09 SIIR/080004

Subscribed and paid-in share capital: RON 218,428,666.40

Regulated market on which the issued securities are traded: Bucharest Stock Exchange (ticker: SIF3)

**Important event to be reported: F.S.A. decisions**

S.I.F. Transilvania informs the shareholders that the Financial Supervisory Authority sanctioned the members of the Executive Board (through Decisions no. 1762, 1763 and 1764/20.11.2014 communicated to the company through address no. DST 22776/21.11.2014) as follows: Mr. Mihai Fercala- Executive President and Mr. Iulian Stan- Executive Vice-President with a RON 16,500 fine each and Mr. Radu Toia- Executive Vice-President with a RON 10,000 fine. F.S.A. states that the sanctions are applied due to the fact that S.I.F. Transilvania did not communicate the information regarding „the identity and the holdings of the 63 shareholders owners of 10.2038% of the share capital who requested the supplementation of the agenda of the Ordinary General Meeting of Shareholders convened for 11/12 August 2014”. In the case of Mr. Mihai Fercala and Mr. Iulian Stan, the motivation is supplemented by the fact that the pattern of the special power of attorney used for the exertion of the secret vote within the Ordinary General Meeting of Shareholders convened for 11/12 August 2014 did not meet the provisions of article 15, paragraph (1) indent 5 and 6 of the N.S.C. Regulation no. 6/2009.

The following clarifications are required regarding the above mentioned motivations:

I. The identity of the 63 shareholders owners of 10.2038% of the share capital who requested the supplementation of the agenda of the Ordinary General Meeting of Shareholders convened for 11/12 August 2014 was not published in order to protect the personal data and holdings. S.I.F. Transilvania sent to F.S.A. the identity and holdings of these shareholders and explained in detail the reasons for which the company has not

published this information. In accordance with article 224 paragraph (7) of Law no. 297/2004 *“if the issuer does not publish the information requested, N.S.C./F.S.A. may publish such information after hearing the issuer”*.

We mention that F.S.A did not hear S.I.F. Transilvania according to law provisions for the publishing of this information and the Company filed actions in administrative contentious for the annulment of the N.S.C. Decision no. 381/20.04.2011 and the F.S.A. Decision no. 974/06.08.2014.

II. The pattern of the special power of attorney as regulated by the N.S.C. Regulation no. 6/2009 does not ensure the secrecy of the vote required by article 130 paragraph (2) of Law no. 31/1990 and deprives the shareholder of the benefit of the secrecy of the vote by explicitly indicating the vote option for each issue for which the secret voting is mandatory.

In order to avoid such deficiency, S.I.F. Transilvania drafted a special power of attorney based on the mandate theory, so as the voting instructions for the items for which the secret vote is required may be known only by the shareholder and his agent/representative during the general meeting works.

We remind that this pattern of special power of attorney was used by S.I.F. Transilvania since 2005 and the Brasov Court of Appeal stated, through Decision 49/Ap/20.04.2006, that *“in the case of Ballot no. 2 used for the election of the members of the Board of Directors, through the special power of attorney there were set many options for the appointment of the agent/representative, so the shareholders were not forced to appoint a particular person. The names of the candidates were known as a result of the forms of advertising made by the defendant (S.I.F. Transilvania) so that the shareholder was able to communicate his option to his agent/representative. According to the mentions included in the power of attorney, the vote for the election of the members of the Board of Directors was to be done in a secret way, thus observing the provisions of Law no. 31/1990”*.

The above mentioned decision of the Court of Appeal was forwarded to F.S.A. within the correspondence on the organization of the shareholders general meetings, but F.S.A. did not take it into account when issuing the sanctioning decisions.

III. The members of the Executive Board of S.I.F. Transilvania will challenge the sanctions and will use all the legal ways to favourably settle the complaints filed against the sanctioning acts, to protect the shareholders' identity data and holdings and to validate the legality of the special power of attorney pattern.

**Iulian Stan**

**Executive Vice-president /Deputy C.E.O.**

**Dragos Calin**

**Legal Counselor**