

NOTE

to convene the Shareholders' general assembly in view of selecting members in the Supervisory Board of the National Power Grid Company Transelectrica SA specifying the mandate term, to approve the mandate contract to be concluded with them, the applicable remuneration, and to mandate a representative to sign such contracts on behalf of the Company

The National Power Grid Company Transelectrica SA (hereinafter the Company) is a joint stock company managed under two-tier system according to article 153¹ and foll. of the Company Law 31/1990, republished, with later amendments and additions (Company law) by a directorate and a supervisory board. The Company is listed to the BVB and *public enterprise* in accordance with article 2 pt. 2 let. b) of OUG 109/2011 *regarding the corporative governance of public enterprises*, approved with amendments and additions by Law 111/2016 (hereinafter OUG 109/2011).

On 26.11.2019 the Company's Shareholders' general assembly gathered in an ordinary session took Decisions 24, 25, 26, 27, 28, 29 and 30 under which were appointed the provisional Supervisory Board members with 4 (four) months' mandate beginning with 30.11.2019 until 29.03.2020: Mrs. Popescu Luiza, Mr. Burduja Sebastian, Mr. Badea Jean, Mr. Comanescu Jean-Valentin, Mr. Burlacu Oleg, Mr. Goicea Adrian and Mrs. Stan-Olteanu Manuela Petronela.

Decision 81/13.12.2019 of the Company's Supervisory Board acknowledged letter 52945/12.12.2019 regarding **Mrs. Stan-Olteanu Manuela Petronela's refusal to accept the mandate** of provisional Supervisory Board member of the Company. In this respect on 12.12.2019 the Company informed the shareholders and investors accordingly by Current Report according to the provisions of article 122 para (1) from Law 24/2017 on the issuers of financial instruments and market operations.

Also Decision 85/18.12.2019 of the Company's Supervisory Board acknowledged notification 53718/17.12.2019 according to which **Mr. Burduja Sebastian gave up**, beginning with 17.12.2019, **the provisional administrator mandate**, namely his capacity of member in the Company's Supervisory Board. In this respect on 17.12.2019 the Company informed the shareholders and investors accordingly by Current Report according to the provisions of article 122 para (1) from Law 24/2017 on the issuers of financial instruments and market operations.

In accordance with article 111 para (2) let. b) of the Company law, article 31 para (2) from OUG 109/2011 and article 14 para (1) let. c) from the applicable Articles of association, the **competence to elect** (designate, appoint) **members in the Supervisory Board belongs to the Shareholders' general ordinary assembly observing the applicable legal provisions.**

In accordance with the provisions of article 137² para (1) of the Company law, corroborated with the provisions of article 18 para (6) of the Company's Articles of Association, assuming a Supervisory Board position becomes vacant the Board can designate a provisional member until the next session of the Shareholders' general assembly. On 06.01.2020 based on Decision 1/06.01.2020 the Company's Supervisory Board appointed Mr. Dumitru Ciprian Constantin as provisional Supervisory Board member, his mandate end date being identical with the current Supervisory Board, namely 29.03.2020, but no later than the appointment date of a Supervisory Board member by the Shareholders' general assembly. In this respect on 06.01.2020 the Company informed the shareholders and investors accordingly by Current Report according to the provisions of article 122 para (1) from Law 24/2017 on the issuers of financial instruments and market operations.

Taking into account the 5 members¹ elected by the Shareholders' general assembly of the Company were appointed for a provisional mandate², this note pertains to appointing provisional members for two positions in the Supervisory Board since, according to article 18 para (2) of the Company's applicable Articles of association, the *„Supervisory Board will have 7 members”*.

The mandate contract to be concluded with the administrators and the fixed remuneration of such administrators is approved by the shareholders' general assembly with agenda including appointment of Supervisory Board members. As regards the form of the mandate contract concluded with the current Supervisory Board members, Decision 31/26.11.2019 of the Shareholders' general assembly approved the mandate contractual form to be that approved by AGOA Decision 5/29.03.2018, as amended by AGOA Decision 12/28.09.2018. Decision 31/26.11.2019 of the Shareholders' general assembly established the remuneration of Supervisory Board members as calculated according to article 8 of OUG 109/2011, namely gross 13,976 Lei.

Taking into account the above for the member position in the Supervisory Board taken provisionally by Mr. Dumitru Ciprian Constantin, and for the second position left vacant,

In accordance with article 111 para (2) let. b) of the Company law, article 31 para (2) and article 29 para (11) as against article 31 para (3) of OUG 109/2011 and article 14

¹ Mrs. Stan-Olteanu Manuela Petronela has not accepted the mandate and Mr. Burduja Sebastian gave up the mandate.

² As an exception, in terms of the special provisions applicable to public enterprises, according to article 64¹ of OUG 109/2011, *in case of vacancy of one or several administrator positions in a society, the shareholders including the state shareholder, by the public tutelary authority can convene the shareholders' general assembly in view of appointing one or more provisional administrators until completing the selection procedure for administrators according to this emergency ordinance. Shareholders, including the state shareholder by the public tutelary authority will submit candidate proposals to the shareholders' general assembly. In such a case the mandate lasts for 4 months, with possible extension for sound reasons to maximum 6 months.*

para (1) let. c) of the applicable Articles of association we submit to the Company's Shareholders' general ordinary assembly's approval the following issues:

- **Appointing provisional Supervisory Board members**, with mandate term until 29.03.2020³;
- **Approving the mandate contract to be concluded with Supervisory Board members to be appointed and establishing their remuneration, as well as empowering the person that will sign the mandate contracts with the new Supervisory Board members on behalf of the Company.**

<i>Chairman</i>	<i>Member</i>	<i>Member</i>	<i>Member</i>	<i>Member</i>
Catalin NITU	Ionut-Bogdan GRECIA	Corneliu-Bogdan MARCUS	Andreea-Mihaela MIU	Adrian MOISE

³ End date for the mandate of current provisional Supervisory Board members.