

**Company IAR S.A.**

**Headquarters: Ghimbav, 34, Hermann OBERTH Street, County of Braşov**

**Registration Number with the Trade Registry: J/08/4/19911**

**RESOLUTION No. 09 /27.11.2017 - PROJECT**

*In order to corroborate the Constitutive Act of IAR SA with the provisions of the specific legislation regarding the open companies whose shares are traded on the capital market, operator Bucharest Stock Exchange,*

*Seeing the opinion given by the Board of Directors of the IAR SA, by Decision No. 23CA / 12.10.2017 regarding the proposed changes to the Constitutive Act of IAR SA,*

*In accordance with the provisions of the republished Law no. 31/1990, amended and supplemented to date, and with those of the Law no 24/2017, of the CNVM Regulation no 1/2006 on issuers and securities operations, of the CNVM Regulation no 6/2009 regarding the exercise of certain rights of shareholders in the general meetings of shareholders of the companies and of the IAR SA Constitutive Act,*

***The Extraordinary General Meeting of the Shareholders of IAR SA, convened as per the provisions of Law no. 31 / 1990 republished, amended and supplemented to date, the Law no. 24/2017, of the CNVM Regulation no. 1/2006 on issuers and securities operations, of the CNVM Regulation no. 6/2009 regarding the exercise of certain rights of shareholders in the general meetings of shareholders of the companies and the IAR SA Constitutive Act, and legally assembled on the date 27-28.11.2017 time 11:00 at the company's registered office, under the conditions of participation of shareholders/shareholders' representatives who own ...% of the total number of company shares,***

**DECIDES:**

**Art. 1 Paragraphs 1 and 2 of Art. 6 – The object of activity of the Constitutive Act of IAR SA are modified as follows:**

...

**(1) The main activity performed by the company is that set out in Class 3030 - "Manufacture of aircraft and spacecraft" which is part of Group 303 "Manufacture of aircraft and spacecraft "Division 30 - Manufacture of other transport equipment."**

**(2) The Company may conduct the following secondary activities:**

<b>ACTIVITY CODE</b>	<b>ACTIVITY</b>
3316	<i>Repair and maintenance of aircraft and spacecraft</i>
1392	<i>manufacture of textile articles, except apparel and underwear</i>
1399	<i>manufacture of other textiles: n.c.a.</i>
1512	<i>manufacture of luggage, handbags and saddlery and harnesses</i>
1624	<i>manufacture of wooden containers</i>
2219	<i>manufacture of other rubber products</i>
2512	<i>manufacture of elements of carpentry and metal work</i>
2550	<i>manufacture of metal wrought products; powder metallurgy</i>
2561	<i>treatment and coating of metals</i>
2599	<i>manufacture of other metal items n.c.a.</i>
2540	<i>manufacture of weapons and ammunition</i>
3109	<i>manufacture of furniture n.c.a.</i>
3530	<i>steam and air conditioning supply</i>
3600	<i>collection, purification and distribution of water</i>
4520	<i>vehicles maintenance and repair</i>
4690	<i>specialized wholesale trade</i>

	<i>import-export of military goods according to normative acts which:</i> - approve the lists of weapons, ammunition and other military products and dual-use items, - governs the control of exports of dual-use technologies, - governs the import and export control of strategic goods
4724	<i>retail trade of bread, confectionery and sugar confectionery in specialized stores</i>
5223	<i>other food service</i>
5629	<i>road goods transport</i>
4941	<i>passenger air transport</i>
5110	<i>handlings</i>
5224	<i>storage</i>
5210	<i>renting and leasing of cars and light road vehicle</i>
7711	<i>activities of renting and leasing of air transport equipment</i>
7735	<i>renting and leasing of vehicles and office equipment (including computers)</i>
7733	<i>other food service</i>
7739	<i>renting and leasing of other machinery, equipment and tangible goods n.c.a.</i>
6202	<i>IT consultancy activities</i>
6201	<i>activities to develop custom software (customer –oriented software)</i>
6311	<i>data processing, hosting and related activities</i>
6312	<i>activities of web portals</i>
6820	<i>lease and sublease of own or leased real estate</i>
7219	<i>research and development on natural sciences and engineering</i>
7320	<i>activities on market research and public opinion polling</i>
7022	<i>consulting activities for business and management</i>
7120	<i>technical testing and analysis activities</i>
8219	<i>activities photocopying, document preparation and other specialized office support activities</i>
8559	<i>other education n.c.a.</i>
8621	<i>general healthcare activities</i>
9311	<i>activities of sports facilities</i>
9319	<i>other sports activities</i>

*The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 2 Paragraph 3 of Art. 12 – Main attributions of the General Meeting of Shareholders of the Constitutive Act of IAR SA is modified being completed with letter k) as follows:**

**Art. 12 - Main attributions of the General Meeting of Shareholders**

...

*(3) The ordinary general shareholders' meeting has the following main attributions:*

...

*k) to determine the minimum value of the insured amount and the maximum value of the insurance premium for the professional liability insurance of the members of the Board of Directors, respectively of the directors.*

*The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 3 Paragraphs 1-7 of Art. 14 – Organizational issues related to the general meeting of shareholders, are modified or completed as follows:**

*(1) The Ordinary General Meeting of the Shareholders is validly constituted and can take decisions if at the first call shareholders holding at least 1/2 of the total voting rights are present and the resolutions are taken by shareholders holding the majority of the casted votes.*

(2) In case of the non-fulfillment of the conditions stipulated at paragraph (1), the general meeting of the shareholders shall meet at a second call and may deliberate on the issues of the agenda of the first meeting, regardless of the quorum, taking decisions with the majority of the casted votes.

(3) The Extraordinary General Meeting of the Shareholders is validly constituted and may take decisions if at the first call shareholders holding at least 1/2 of the total voting rights are present and the resolutions are taken by a majority of the votes held by the shareholders present or represented. At the second call, the extraordinary general meeting may deliberate on the agenda items of that first meeting, under the same quorum and majority conditions required for the first call.

(4) Participation at the meeting shall be in accordance with the specific legislation in force and the Constitutive Act of IAR S.A. Company by direct representation or by special / general empowerment.

(4<sup>1</sup>) The forms for the special empowerments upon which the shareholders may be represented at the meetings of the general meeting of shareholders and the mail the voting ballots are made available to the shareholders both in Romanian and in English, and they can be downloaded from the web page of Company, [www.iar.ro](http://www.iar.ro).

(4<sup>2</sup>) The shareholders may supplement and transmit the special empowerments and the voting ballot either in Romanian or in English.

(4<sup>3</sup>) The special empowerments necessary for the voting, as well as the main voting ballots, shall be filed in original at IAR SA headquarters, at least one hour before the meeting, valid also for filing the copies of the general empowerments, containing the words "according to the original".

(4<sup>4</sup>) Any shareholder who wishes to appoint his representative by electronic means may send notice of such designation to [office@iar.ro](mailto:office@iar.ro). Notification may be made only in writing, in Romanian and / or in a language of circulation in the international financial field.

(5) The general meeting of shareholders shall be chaired by the chairman of the board, by the administrator appointed by him to chair the meeting or, failing that, by a person designated by the shareholders.

(6) The shareholders present will appoint, among them, one or more meeting secretaries, who will check the attendance list of the shareholders as well as the fulfillment of all the formalities required by the law and by the constitutive act for the holding of the meeting. The President may designate, among the employees of the company, one or more technical secretaries to take part in the execution of the operations / formalities required by the law and by the Constitutive Act for the holding of the general meeting.

(7) The minutes, signed by the president and the secretary of the meeting, shall observe the fulfillment of the convening formalities, the date and the place of the meeting, the agenda, the shareholders present, the number of shares, the summaries, the decisions taken and, at the request of the shareholders, their declarations made during the meeting. The minutes of the meeting shall be edited, signed, and shall be attached to the Registry of the Minutes of the Meetings and deliberations, which shall be kept sealed and initialed.

The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 4 Paragraph 1 of Art 15 – Exercising the voting rights during the general meeting of shareholders** of the Constitutive Act of IAR SA is modified as follows:

**Art. 15 – Exercising the voting rights during the general meeting of shareholders**

(1) The decisions of the general meetings shall be taken by open vote. Shareholders exercise their right to vote directly or through representatives mandated for that purpose by empowerment. The secret vote is mandatory for the election of the members of the board of directors, for their revocation, for the decisions regarding the liability of the members of the administration, executive management and control bodies of the company, as well as under other conditions stipulated by the law.

The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 5 Paragraphs 2, 4, 5, 7, 13 (adding 13<sup>1</sup>), 14, 16 (adding 16<sup>1</sup>) and 18 of Art. 16 – Organizational issues of the Constitutive Act of IAR SA Company, are modified as follows:**

(2) *The majority of the members of the Board of Directors, meaning at least 3 members, shall be non-executive directors (who have not been appointed directors).*

...  
(4) *The person who is appointed as member of the board of directors must expressly accept it in order to have this appointment legally valid.*

(5) *The members of the board and directors of the company (within the meaning of Law No. 31/1990 republished, with the subsequent amendments and completions) are insured for professional liability.*

...  
(7) *In case of vacancy of one or more of the positions of member of the board, the board of directors shall appoint temporary administrators until the ordinary general meeting of the shareholders will take place.*

...  
(13) *The Board of Directors shall meet at the Company's headquarters, in another established place, or by video- or audio-conference, whenever necessary, but at least every three months, at the convocation of the Chairman. The Board of Directors shall also be convened on a reasoned request by at least two of its members or the Director-General. The meeting shall be chaired by the chairman, and in the absence thereof, by the administrator appointed by the board of directors as substitute.*

(13<sup>1</sup>) *The board of directors shall appoint a secretary, either from the executive members of the board or from the employees of the company, establishing its monthly remuneration.*

(14) *For the validity of the decisions, the presence of at least 3 (three) members of the board of directors is required and the decision shall be taken by the absolute majority vote of the members of the board. In case of parity, the provisions of the law are applied.*

...  
(16<sup>1</sup>) *In exceptional cases justified by the urgency of the situation and by the interest of the company, the decisions of the Board of Directors may be taken by unanimous vote in writing of the members, without the need for a meeting.*

...  
(18) *An electronic minutes shall be drawn up at each meeting, containing the names of the participants, the order of deliberations, the taken decisions, the number of votes and the separate opinions. The minutes shall be signed by the chair of the meeting and by at least one other administrator who attend the meeting.*

*The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 6 Art 17 – Tasks of the Board of Directors of the Constitutive Act of the IAR SA Company is modified as follows:**

**(1) The Board of Directors shall have the following tasks:**

a) *approves the organization and functioning regulations of the company;*

b) *establishes the main directions of activity and development of the company;*

c) *sets the tactics and marketing strategy;*

d) *approves the business plan;*

e) *appoints / revokes the directors of the company and determines their remuneration;*

f) *approves the collective labor agreement in the company, negotiated by the general director and the team appointed by him;*

g) *analyzes and submits the approval of the general meeting of shareholders, the contracts of association with third parties;*

h) *submits annually to the analysis and approval of the general meeting of the shareholders, no later than 4 (four) months after the end of the financial year, the report on the company's activity, the annual financial statements for the previous year and the draft of the program of activity*

i) *the annual financial statements accompanied by the management report and the supporting documents, shall be submitted to the financial auditors at least one month before the date set for the general meeting of the shareholders;*

- j) establishes the accounting and financial control system and approves the financial planning;
- k) introduces the request for opening the insolvency procedure of the company, according to the specific legislation in force;
- l) oversee the activity of directors;
- m) decides on the rental and sub-leasing of its own real estate, except for the assets as defined in the legislation on the privatization of companies within the limits set by the specific legislation in force;
- n) approves the organizational structure of the company and the number of positions of the functional and production compartments;
- o) decides on the conclusion of short- and medium-term bank loans, respectively less than 5 (five) years, without real estate collateral, according to the law and within the limits set by the General Meeting of Shareholders;
- p) informs the General Meeting of Shareholders about short and medium term bank loans (up to 5 years);
- q) performs any other duties and resolves any other matters established by the general meeting of the shareholders, or provided by law;
- (2) The Board of Directors shall mandate by decision the General Director and the other directors to perform part of his duties.
- (3) The Board of Directors may not delegate to the directors the attributions specified in art. 17 b), d), e), h), i), j), k), l) and n).

The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 7 Art. 19** of the Constitutive Act of the IAR SA Company is renamed "**Financial Auditor and internal audit**" and it is modified as follows:

- (1) The financial statements of the company shall be audited by financial auditors, individuals or legal entities, under the conditions provided by the law.
- (2) At IAR SA Company, the Financial Audit activity is carried out by a financial auditor appointed by the ordinary general meeting of shareholders.
- (3) The financial audit shall be performed in accordance with the Auditing Standards issued by the Romanian Chamber of Auditors, based on a service contract approved by the Board of Directors, at the proposal of the Audit Committee, for a period which is determined by the Ordinary General Meeting of Shareholders.
- (4) The company organizes its internal audit in accordance with the legal provisions.

The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 8** The date 19.12.2017 is approved as the registration and identification date of the shareholders who are affected by the resolutions of the Extraordinary General Meeting of the Shareholders dated 27-28.11.2017, and the date 18.12.2017 as ex-date, in accordance with the provisions of Law No. 24/2017.

The decision was made under vote "pro" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company, vote "against" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company and the "abstention" of the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 9.** The Board of Directors and the executive management of the Company IAR SA are mandated to carry out the provisions of this resolution, as well as the formalities regarding the publicity required by the law, the Constitutive Act and the CNVM Regulations.

Issued at the headquarters of IAR S.A. this day of 27-28.11.2017.

**Ion Rareş POPESCU**

**CHAIRMAN OF THE BOARD**

**Aurelia SUMEDREA**

**E.G.M.S. SECRETARY**