

**Company IAR S.A.**

**Headquarters: Ghimbav, 1, Aeroportului Street, County of Braşov**

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

**RESOLUTION No. 02 /19.04.2017 - PROJECT**

*Given the Decision of the Local Council Ghimbav no 9/01.28.2016 on approval of the list of streets names in the town of Ghimbav and renumbering of buildings and Notification No. 4858/05.04.2016 issued by the Town Hall of Ghimbav,*

*Given that in the period 2017-2019, at Least 70% of the company's activities represent New Programs for upgrade and retrofit of helicopters with manufacturing of new optionals, and after 2020 the bulk of the turnover Will Be the manufacturing of components and aircraft, the main structure of the current production capacity of IAR SA being the manufacturing of simple parts, assemblies, subassemblies and helicopters assembly,*

*Based on the provisions of ORDER no. 337 of 20<sup>th</sup> April 2007 regarding the update of the National Economy Activities Classification – NEAC,*

*Given the measures for establishment, organization and reorganization of ministries presented in Articles 2 and 7 of GEO 1/2017 - for establishing measures in the field of central public administration,*

*Considering the provisions of Article 142 paragraph 1 of Law 31/1990, but also in order to put in agreement the provisions on contracting of bank loans with the provisions of Resolution OGSM No. 1/2017 and with article 241 of Law 297/2004 - on the capital market,*

*For coordination of the term agreed in paragraph 3 of Art. 13 - Convening of the general meeting of shareholders in CHAPTER IV - GENERAL SHAREHOLDERS MEETING, with the provisions of article 227, paragraph 4 of Law 297/2004 and Article 6 of GO 26 / 2013,*

*In order to enshrine the vote by correspondence, according to the CNVM Regulation 6/2009,*

*Considering that the 4th Directive of C.E is no longer applicable and that the financial statements are no longer submitted to the Trade Registry,*

*Seeing the opinion given by the Board of Directors of the IAR SA, by Decision No. 03CA / 14.03.2017 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 297/2004, 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. 297/2004, 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 19-20.04.2017 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** Paragraph 1 of Article 3 – Company headquarters in CHAPTER I - NAME, LEGAL FORM, HEADQUARTERS, DURATION of the Constitutive Act of IAR SA is amended as follows:

**“Art. 3 – The company headquarters**

**(1) The Company headquarters is in Romania, Brasov, Ghimbav town, 34, HERMANN OBERTH Street.”**

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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 2** The main object of activity NEAC code 3316-Repair and maintenance of aircraft and spaceships, is replaced with NEAC code 3030-Manufacturing of aircraft and spaceships, NEAC Code 3316 – becoming secondary activity.

Thus art 6 “Object of activity” of CHAPTER - II – SCOPE AND OBJECT OF ACTIVITY OF THE COMPANY of the Constitutive Act of IAR SA changes as follows:

**“Art. 6 – The object of activity**

The object of the company consists of activities defined and coded according to the National Classification of Economic Activities - NACE, as updated by Order No. 337 / 20.04.2007 issued by the President of the National Institute of Statistics.

(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> <i>- approve the lists of weapons, ammunition and other military products and dual-use items,</i> <i>- governs the control of exports of dual-use technologies,</i> <i>- governs the import and export control of strategic goods</i>
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 auto 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	activities to develop custom software (customer –oriented software)
6311	data processing, hosting and related activities
6312	activities of web portals
6820	lease and sublease of own or leased real estate
7219	research and development on natural sciences and engineering
7320	activities on market research and public opinion polling
7022	consulting activities for business and management
7120	technical testing and analysis activities
8219	activities photocopying, document preparation and other specialized office support activities
8559	other education n.c.a.
8621	general healthcare activities
9311	activities of sports facilities
9319	other sports activities

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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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 3** Paragraph 2 of Art. 7 “Share capital” of CHAPTER - III - CAPITAL, SHARES of the Constitutive Act of IAR SA is modified as follows:

**“Art. 7 – Share capital**

(2) The share capital is subscribed and paid by legal entities and individuals, as follows:

<b>SHAREHOLDER</b>	<b>NO. OF SHARES</b>	<b>SHARE CAPITAL</b>	<b>%</b>
The Ministry of Economy, on behalf of the Romanian State	12,250,488	30,626,220	64.89
The Ministry of Social Justice	1,378,156	3,445,390	7.3
Other shareholders, juridical and physical entities	5,250,209	13,125,522.50	27.81
<b>TOTAL</b>	<b>18,878,853</b>	<b>47,197,132.50</b>	<b>100</b>

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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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 4** The paragraph 3 and 4 of Art. 12 “ The prerogatives of the general meeting of shareholders” in CHAPTER IV-GENERAL MEETING OF SHAREHOLDERS of the Constitutive Act of IAR SA are modified as follows:

**“Art. 12 - The prerogatives of the general meeting of shareholders**

3) The ordinary general shareholders meeting has the following main prerogatives:

- to discuss, approve or modify the annual financial statements, based on reports submitted by the Board of Directors, or, where appropriate, by the financial auditor and establish the dividend;
- to appoint and dismiss the Board members,
- to appoint or dismiss the financial auditor and establish the minimum duration of the financial audit contract;
- to establish the remuneration due for the current Board members;
- to decide on the Board of Directors administrative prerogatives,
- to establish the income and expenditure budget and, where appropriate, the activity program, for the following financial year;
- to decide the pledge, lease or closing of one or more units of company,
- to decide on the long terms bank loans contracting, ie over 5 (five) years

- i) to examine the reports of the Board on the status and the company's prospects with regard to profit and dividends, to the domestic and international market position, the technical level, quality, labor, environment, relationships with customers;
  - j) to decide on legal action against the Board members,
- (4) The Extraordinary General Meeting of Shareholders has the following main prerogatives:
- a) changing the legal form of the company;
  - b) relocation of the company;
  - c) change of the company's object of activity;
  - d) the creation or abolition of some secondary units: branches, agencies or other such units without legal personality, unless the Constitutive Act provides otherwise;
  - e) capital increase;
  - f) reduction of share capital or reunification by issuing new shares;
  - g) merger with other companies or division of the company;
  - h) anticipated dissolution of the company;
  - i) conversion of registered shares into bearer shares or bearer shares into registered shares;
  - j) conversion of shares from one class to another;
  - k) conversion of a category of bonds or shares in another category;
  - l) the acts of the acquisition, exchange or constitution of guarantees on assets classified as intangible assets of the Company, whose value exceeds, individually or cumulatively during a financial year, 20% of total intangible assets,
  - m) rentals of tangible assets for a period longer than one year, whose individual or cumulated value compared to the same counterparty or persons involved or acting jointly exceed 20% of the total assets,
  - n) any other amendment of the Constitutive Act or any other resolution requiring the approval of the extraordinary general 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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 5** Paragraph 3 of Art. 13 - Convening of the general meeting of shareholders in CHAPTER IV - GENERAL SHAREHOLDERS MEETING of the Constitutive Act of IAR SA is modified as follows:

**“Art. 13 – Convening of the General Meeting of Shareholders**

- (3) The Ordinary General Meeting are held at least once a year, no more than 4 (four) months from closing the economic and financial year, to examine and approve the annual financial statements drawn up according to the law for the previous year.”

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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 6** Art 15 – “Exerting the voting rights in the general meeting of shareholders” of Chapter IV - GENERAL SHAREHOLDERS MEETING of the Constitutive Act of IAR SA will be completed with a new paragraph, as follows:

**“Art. 15 – Exerting the right to vote in the general meetings of shareholders**

- 4) The company will guarantee the right to vote by mail, the procedure for exercising the right to vote by mail will be displayed on the web site of the company.”

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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.

**Art. 7** The paragraph 3 of Article 16 - Organization of CHAPTER V - BOARD OF DIRECTORS of the Constitutive Act of IAR SA will be completed with the phrase "and the Constitutive Act", as follows:

## **CHAPTER V - BOARD OF DIRECTORS**

### **“Art. 16 – Organization**

3) *The Board of Directors is responsible for carrying out all the necessary and appropriate activities in order to achieve the company’s object of activity, except those reserved by law and the Constitutive Act to the general meeting of shareholders.”*

*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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 8** *Similar to the modification of paragraph 3 and 4 of Article 12 and of paragraph 3 of Article 13, the prerogatives of the Board of Directors stipulated in the Constitutive Act of IAR SA are amended as follows:*

### **“Art. 17 – The prerogatives of the Board of Directors**

*(1) The Board has the following main responsibilities:*

- a) to approve the rules of organization and functioning of the company;*
  - b) to set out the main directions of company activity and development;*
  - c) to establish marketing tactics and strategy;*
  - d) to approve the business plan;*
  - e) to appoint / dismiss the managing directors of the company and to establish their salaries;*
  - f) to approve the collective labor agreement negotiated by the company general manager and team appointed thereby;*
  - g) is responsible for the company property management, under the law;*
  - h) to approve the revenues and payments, according to the powers granted;*
  - i) to examine and submit for approval by the general shareholders meeting, association contracts with third parties;*
  - j) to submit to annual review and approval of the general meeting of shareholders no later than 4 (four) months from the conclusion of the financial year, the company's business report, the annual financial statements for the previous year and the draft of activities program*
  - k) the annual financial statements and the management report accompanied by supporting documents, are presented to the financial auditors at least one month before the date set for the General Meeting of Shareholders;*
  - l) to establish the accounting system and the financial control and approve the financial planning;*
  - m) to introduce the company's demand for opening of insolvency proceedings under the law in force;*
  - n) to survey the directors’ activity;*
  - a) to decide on the lease and sublease of own property excluding the assets as defined in the legislation on the privatization of companies or leased within the limits set out by specific legislation in force*
  - p) to approve the company's organizational structure and number of posts and establish the normative setup of the functional departments and production;*
  - q) to decide on bank loans on short and medium term, respectively less than 5 (five) years, as well as on bank guarantees,*
  - r) to exert any other powers and solve any other issues determined by the general meeting of shareholders, or stipulated by the law;*
- (2) The Board of Directors will give mandate to the general director and other executives to meet some of its powers.*
- (3) The Board may not delegate the mentioned powers to the directors under Art. 17, letters b), d), e), j), k), l), m) and p).”*

*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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 9** *Art 23 – “The accounting records and annual financial statements” in CHAPTER VII - COMPANY ACTIVITY of the Constitutive Act of IAR SA is modified as follows:*

### **“Art. 23– The accounting records and annual financial statements**

*(1) The Company shall keep the accounting records as per the Accounting Law, the Accounting Regulations compliant in accordance with the International Financial Reporting Standards and other regulations in force for each financial year.*

*(2) The annual financial statements will be filed and made public under the conditions provided by 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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 10** *The letter (j) paragraph 1 Art. 27 – “Dissolution of the company” from CHAPTER VIII - AMENDMENT OF THE LEGAL FORM, DISSOLUTION, LIQUIDATION, LITIGATIONS of the Constitutive Act of IAR SA is deleted, as follows:*

**“Art. 27 – Dissolution of the company**

*(1) The following situations lead to the dissolution of the company:*

- a) the impossibility of conducting its business;*
- b) the declaration of the company nullity;*
- c) the resolution of the General Shareholders Meeting;*
- d) bankruptcy;*
- e) reducing capital below 90.000 lei, after the reserve fund has been consumed if the general meeting of shareholders decides against the completion of the capital or to reduce the remaining amount;*
- f) the number of shareholders will be reduced below the number required by the law for a period longer than 9 months;*
- g) reducing the net assets (calculated as the difference between the total assets and its total debts) less than 1/2 of the share capital subscribed, provided the general meeting of shareholders decides not to reconstitute the net asset value at least equal to half of the share capital;*
- h) at the request of any shareholder, if the circumstances of force majeure and their consequences last more than 8 months, and the General Meeting of Shareholders notes that the company's operation is no longer possible;*
- i) the decision of the court at the request of any shareholder, for good reasons, such as serious disagreements between them, hindering the functioning of society;*
- ~~*j) the provisions of Law no. 85/2006 on insolvency proceedings are met;*~~

*(2) Dissolution of the company must be registered in the Commercial Register and published in the Official Gazette.”*

*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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 11.** *The date 10.05.2017 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 19-20.04.2017, and the date 09.04.2017 as ex-date, in accordance with the provisions of Law No. 297/2004 on the capital market.*

*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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

**Art. 12.** *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.*

*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" expressed by the shareholders/representatives of shareholders with ...% of the total shares of the company.*

*Issued at the headquarters of IAR S.A. this day of 19-20.04.2017.*

**Ion Rareş POPESCU**  
**CHEIRMAN OF THE BOARD**

**Aurelia SUMEDREA**  
**E.G.M.S. SECRETARY**