

**INFORMATION LETTER****Regarding the payment of dividends for 2016**

Following the Decision of the General Meeting of the Shareholders of April 21<sup>st</sup>, 2017 COMELF S.A announces that the payment of the 2016 dividends will be made as follows:

- **The gross dividend** that will be granted for one share owned at the Registration Date is **0,165 lei / share**; the company will calculate and withheld at the source the dividends tax at the rates required by the law applicable at the date of the payment, such tax will be declared and paid to the national budget;
- The shareholders entitled to receive the dividends distributed for the fiscal year 2016 are those registered in the Consolidated Register /Ledger of the Shareholders kept by the Depozitarul Central at the date of **June 29<sup>th</sup>, 2017 – „ Registration Date”** approved by the General Meeting of the Shareholders (ex-date 28.06.2017);
- The Dividends distributed for the Fiscal Year 2016 will be paid to the shareholders starting with **July 17<sup>th</sup>, 2017 – „Payment Date”**;
- The costs for dividends payment, irrespective of the payment method used will be borne by:
  - shareholders, where the number of shares owned is less than 525 shares;
  - by COMELF, for shareholders who own more than 525 shares.
- In order to make sure the new requirements regarding dividends payment are followed, the shareholders who have not updated their personal data (PIN and address) will go to the COMELF – Public Relations Office in order to obtain the document confirming their shareholder status. Such a document will be used to update their personal information (PIN and Address) in Depozitarul Central database.

According to the new requirements of the laws applicable to Capital Market, the payments of dividends distributed by COMELF S.A. will be made through Depozitarul Central and the selected Payment Agent – CEC – Bank.

The payment methods used for dividends distribution are the following:

**I. Cash payments made at the CEC Bank counters for shareholders – natural persons:**

For shareholders who are natural persons, dividends payment will be made in cash, as COMELF, through the Depozitar Central Company, will provide the amounts due at the CEC – Bank Counters located in cities and villages across the country, starting with **July 17.07.2017**.

Any of the shareholders who are natural persons may go to any of the CEC – Bank branches, and ask for dividends payment any time during the normal working hours of such branch.

Dividends will be paid in cash at CEC – Bank Counters only to **shareholders who are natural persons, not represented by a Participant** (owners of shares outlined in Section I of Shareholders Register/Ledger), except those who choose bank-transfer payment, according to Chapter II of this Information Letter, that is:

1. For shareholders who are natural persons residing in Romania, who present themselves in person at the CEC-Bank Counters, dividends payment will be made against an identity document that contains the personal identification number (P.I.N.). Shareholder's identification will be made based on the information contained in the P.I.N. field. The shareholder whose P.I.N. indicated in the documents presented at the counter does not match the one listed in the records of Depozitarul Central will address the issue by consulting with the latter;

2. For the shareholders who are natural persons but do not reside in Romania who present themselves at the Counters of CEC-Bank, dividends payment will be made against the passport, where Passport series and number match those on record at Depozitarul Central;

3. For shareholders who are natural persons below the age of 14 years, dividends payment will be made to the legal representative, that is – the legal guardian / the minor's parent, against the following documents: shareholder's birth certificate that must include the P.I.N. + 1 certified copy (copy will be kept after payment), legal document confirming legal guardianship where such legal guardian is not of the parents + 1 certified copy (copy will be kept after payment) and the legal guardian/parent's ID papers + 1 certified copy (copy will be kept after payment);

4. For the shareholders who are natural persons upon whom trusteeship has been instituted, dividends payment will be made through the trustee of such person, based on the following documents: shareholder's ID papers that include P.I.N. + 1 certified copy (copy will be kept after payment), the legal document confirming the trusteeship + 1 certified copy (copy will be kept after payment) and trustee ID paper(s) + 1 certified copy (copy will be kept after payment);

5. For shareholders who are natural persons who do not turn up in person at CEC-Bank Counters but empower other persons to do so, dividends payment will be made to the representative of such persons, based on the following documents: special power of attorney authenticated at the public notary's office that includes the authority to pick-up the dividends issued no more than 3 years before the payment date + 1 certified copy (copy will be kept after payment) and the ID paper(s) of the representative + 1 certified copy (copy will be kept after payment).

The documents presented in a foreign language will be accompanied by certified Romanian translations, and if issued by a foreign authority such documents will be accompanied by apostille or super-legalized, where applicable.

Cash payments will be made up to the amount required by the applicable laws at the date payment is made.

## **II. Payment made by bank transfer (to accounts in lei opened at a bank in Romania) for shareholders who are natural persons or legal entities:**

Depozitarul Central provides the option to cash in directly any amount of money due by bank transfer to all **shareholders not represented by Participants** (owners of shares outlined in Section I of Shareholders Register / Ledger), irrespective of the Issuer who distributes such amounts. This option requires the registration of the IBAN Code with the Depozitarul Central, as this may be used to cash in several or all the amounts due and will remain valid for other subsequent distributions, until notified to the contrary by the shareholder. Registration of the IBAN Code with Depozitarul Central will be charged according to the rates charged from the owners of financial instruments and will be born by each shareholder. For details regarding this payment option, the shareholders are asked to contact Depozitarul Central at the following phone no. 021.408.59.23 / e-mail [dividende@depozitarulcentral.ro](mailto:dividende@depozitarulcentral.ro)

As of the date this Information Letter is published, the shareholders – natural persons and legal entities **not represented by the Participant** (owners of shares outlined in Section I of the Shareholders Register / Ledger) who would like to receive the payment of the dividends by bank transfer, may request and send to the **Depozitarul Central Bucharest** the documents required for dividends payment, as follows:

1. *The shareholders who are natural persons, will send in person or through their legal or conventional representative the "IBAN Code Collecting Form" to the Depozitarul Central which will state the Bank Name and the account number (IBAN code) opened on behalf of the Shareholder*

(the form is available for download on the website of Depozitarul Central – [www.depozitarulcentral.ro](http://www.depozitarulcentral.ro)), accompanied by:

- copy of a valid ID Card on which the personal identification number must be readable – on which the owner has confirmed in writing „true copy”;
- bank statement or another document issued by the bank (signed and stamped) that confirms the existence of the account on behalf of the shareholder, stating the IBAN code, in original;
- copy of the documents that confirm that the signatory of the request is a legal or a conventional representative, where applicable – certified by the owner as a “true copy”.

2. The shareholders who are legal entities, *through legal or conventional representative*, will submit to Depozitarul Central the „IBAN Collecting Form”, on which they will indicate the Bank name and the account number (IBAN code) opened on behalf of the shareholder (available for download on the website of Depozitarul Central [www.depozitarulcentral.ro](http://www.depozitarulcentral.ro)), accompanied by:

- copy a Certificate of incorporation issued by the Trade Register Office / equivalent entity – certified by the owner as “true copy”;
- copy of the document confirming the signatory is acting as a Company’s representative (Confirmation of Company Details issued by the Trade Register Office / equivalent entity – for legal entities residing abroad) – certified by the owner as „true copy”;
- copy of the documents confirming the signatory is acting as legal or conventional representative of the signatory of the request, where applicable – certified by the owner as „true copy”;
- Bank statement or another document issued by the bank (signed and stamped) that confirms the existence of the account opened on behalf of the owner – legal entity, listing the IBAN Code, in original.

The Documents presented in a foreign language will be accompanied by a certified translation in the Romanian language, and where they are issued by a foreign authority such documents must carry the apostille or must be superlegalized as the case may be.

The requests for distribution of the dividends by bank transfer, together with the aforementioned documents, will be submitted **no later than July 14<sup>th</sup>, 2017** at the following address: Depozitarul Central S.A. – Bucharest, no. 34 – 36, Carol I Bvd. sector 2 or will be handed in at the Head-Offices of Depozitarului Central.

Depozitarul Central will check the payment requests submitted by the shareholders, and where there are documents missing, the shareholders will be asked to submit them, such shareholders will be contacted at the telephone number or the email address they have provided in the documents already submitted.

The shareholders who are natural persons or legal entities not represented by Participant that, up to the moment this Information Letter has been published, have sent to COMELF S.A. requests for dividends payment by bank transfer, together with the afore mentioned documents, will not have to re-submit them to Depozitarul Central.

The shareholders who are natural persons and are not represented by Participant who will not submit requests for dividends to be paid in a bank account until **July 14<sup>th</sup>, 2017** or those who have missing documents / failed to send missing documents in due time, will be able to cash in the dividends from CEC-Bank Counters, according to the instructions outlined in Chapter I above.

**The shareholders who are not residing in Romania who are not represented by Participant and who would like to benefit from the most favourable provisions of the Convention for the avoidance of double taxation** signed between Romania and their country of residence will send their **fiscal residence certificate** at **COMELF S.A. head-office, no later than July 7<sup>th</sup>, 2017** in original or a certified true copy, with apostille / superlegalized, if applicable, accompanied by a certified translation in Romanian, in original and support documents containing contact data (necessary for any clarifications if needed).

For dividends payment by bank transfer, the shareholders who do not reside in Romania and are natural persons and legal entities will submit, aside from the Fiscal Residence Certificate

(presented under the conditions mentioned above), the documents mentioned at chapter II items 1 and 2 above, as the case may be.

For dividends cash-payments made at CEC-Bank Counters, the shareholders – natural persons – who do not reside in Romania will submit aside from the Fiscal Residence Certificate (presented as instructed above), a request for dividends payment in cash and a copy of their passport.

The payment requests of the shareholders who do not reside in Romania and who are not represented by Participant and who wish to benefit from the most favourable provisions of the Convention for the avoidance of double taxation will be submitted in original at the Company's head office at the following address: COMELF S.A. no. 4, Industriei str., Bistrita, postal code 420063, Romania.

Payment of dividends on payment date depends on whether the shareholder has submitted all documents and they are completely and correctly filled or where additional clarifications have been requested, these have been submitted no later than **July 7<sup>th</sup>, 2017**.

The payment requests submitted after the payment date will be processed, where the dividends have not been already paid, within not more than 10 business days after receiving the complete and correctly filled documents and the additional clarifications where requested.

### **III. Payments by bank transfer in the accounts of the Participants**

For shareholders – natural persons and legal entities – that own shares issued by COMELF outlined in Section II of the Shareholders Register / Ledger, at the date of registration, in the account opened at the Participant, the dividends will be paid automatically on Payment Date (July 17<sup>th</sup>, 2017) by bank transfer, through Depozitarul Central, in the accounts of such Participants, without the need to submit additional documents.

The Shareholders / not residing in Romania who have accounts opened at the Participant and wish to benefit from the most favourable provisions of the Convention for the avoidance of double taxation signed between Romania and their country of residence (as defined by the laws of the EU Member State or of one of the EFTA states), **will send at COMELF head-office, through the Participant**, the fiscal residence certificate for the year in which dividends payment is made (2017), within its validity period, in original or certified copy, with apostille / superlegalized, where applicable, accompanied by a certified Romanian translation, in original, no later than July 7<sup>th</sup>, 2017. The provisions of the Convention for the avoidance of double taxation will be applied provided the documents submitted are complete and correctly filled and additional clarifications, if any, have been submitted no later than July 7<sup>th</sup>, COMELF S.A. shall not be held responsible for failing to apply the most favourable fiscal conditions as mentioned above when the documents and/or the clarifications, if any, are submitted after the deadline indicated.

The Participants will send at COMELF head-office, no later than the aforementioned deadline, the list of shareholders for which the fiscal documents are submitted which must include: the complete shareholders name (for cases where the name in the Shareholders Register / Ledger differs from the one written in the fiscal documents, the reasons / the explanations for such differences will be presented in a special column), the shareholder's identification code registered with the Shareholders Register/Ledger sent by the Depozitar Central (NIN), the number of shares owned at the Registration Date, other remarks.

The Custodian Banks will send to COMELF certified true copies (in original) of the Fiscal Residence Certificates of their customers, which they will sign and confirm that the original of such documents is in their possession, accompanied by certified Romanian translation.

Following the Requirements of the Tax Code, the Fiscal Residence Certificate must confirm that the dividends receiver is a resident of that country in the year when the shareholders obtains such income (2017) and must include mainly identification information of the shareholder who does not reside in Romania, and also of the authority who issued the Fiscal Residence Certificate, such as: name, designation, address, identification number for tax purposes, the confirmation that

the shareholder is a fiscal resident of the issuing state, as well as the date the certificate has been issued on.

For shareholders not residing in Romania represented by the participant, COMELF will withhold the dividends tax at the standard rate in force as required by the Romanian Tax Code where the shareholders have not sent the Fiscal Residence Certificate (including the documents listed above) and additional clarifications, if requested no later than July 7<sup>th</sup>, 2017.

The documents presented in a foreign language will be accompanied by a certified Romanian translation, and, if issued by a foreign authority, these must include apostille or must be superlegalized, as the case may be.

#### **IV. Deceased Shareholders**

For cases where at the Registration Date there are deceased persons included among those registered in the Shareholders Register / Ledger, the dividends will be paid only after the direct transfer of ownership has been registered by Depozitarul Central, where the heirs have requested such direct transfer of ownership of the shares as an effect of the inheritance division.

#### **V. Shares owned in joint ownership**

For shares owned in joint-ownership at the Registration Date, dividends payment will be made as follows:

- For cash payments, payments will be made provided all joint-owners present themselves at the CEC-Bank Branch in person or through their legal or conventional representative and they provide all the documents listed above as required for cash payments;
- For payment towards those who have an account opened at the Participant, the dividends due to the joint-owners will be paid to the Participant whose customers they are;
- For payments by bank transfer, the dividends due to joint-owners will be paid in the account indicated by all the joint-owners based on the common request addressed to Depozitarul Central;
- For situations where the joint-owners ask both for the registration of the direct transfer of ownership of the shares as an effect of the termination of joint-ownership and for the direct payment by Depozitarul Central towards each of the joint-owners according to the number of shares acquired by each shareholder as exclusive property, Depozitarul Central will suspend dividends payment and the company will calculate the amounts due to each ex joint-owners, payments will be resumed according to the procedure described herein.

Additional Information regarding dividends payment procedure may be requested at:

- COMELF Financial Dept., tel. [0263/234462](tel:0263234462) / 143, e-mail: [financiar@comelf.ro](mailto:financiar@comelf.ro)
- Depozitarul Central: tel: 021.408.59.23, e-mail: [dividende@depozitarulcentral.ro](mailto:dividende@depozitarulcentral.ro)

We remind our shareholders that any changes of data registered in the Shareholders Register/Ledger (changes of name, address, inheritance, etc.) are to be operated only by Depozitarul Central S.A. – located in Bucharest, Sector 2, B-dul Carol I, nr. 34-36, et. 3, 8 si 9, tel. 021.408.58.00 – at the request of the shareholder / person entitled to request such changes.

To facilitate the build-up of the data-base required for dividends payment, we will suspend payment of dividends from previous years, in the interval June 30<sup>th</sup>, - July 14<sup>th</sup>, 2017. Payment of dividends, including those distributed from previous years will be resumed on July 17<sup>th</sup>, 2017.

General Manager,  
eng. Stoian Dorin

Financial Manager,  
ec. Tatar Dana