

NOTE

EGMS – Paragraph 1, 2 and 3

1. Approval of the decision to contract investment loans, credit lines, leasing assignment and letters of guarantee to a maximum cumulative total of 30 million euro for the year 2017 and establishing security interests related to movable and immovable property owned by the company.
2. Approval of the Board of Directors delegation by the Extraordinary General Meeting of Shareholders for contracting investment loans, credit lines, leasing assignment and letters of guarantee to a maximum cumulative total of 30 million euro for the year 2017 and establishing security interests related to movable and immovable property owned by the company.
3. Empowering legal representatives to represent the company to represent the company when negotiating and signing of credit contracts, guarantee contracts and any other documents needed in order to comply with the decisions stipulated in paragraphs 1 and 2.

COMPAS has contracted loans consisting only in credit lines needed in order to secure working capital. In order to reduce exposure to banks and credit institutions, COMPAS's strategy in this area, provides increased self-financing, namely the company's development financing from own resources.

During 2016 there were no loan repayments for investment or repayments of leasing assignments for projects financed from European funds, which were fully reimbursed by the end of 2014.

Given the fact that credit lines are annually renewed with financing banks, after a preliminary analysis carried out by specialist thereof, these banks ask for the approval of the General Meeting of Shareholders in order to renew the credits for 2017 up to the limit of 30 mil Euro, and to authorize the Board of Administration for signing the renewed contracts.

The cumulative total limit of 30 million euro is a level practiced during the last years by COMPAS SA with the financing banks and represents a volume of resources necessary for the business of the Company.

Given the above, we propose to the Extraordinary General Meeting of Shareholders from 24.04.2017 the approval of the decision to contract investment loans, credit lines, leasing assignment and guarantee letters to a maximum cumulative total of 30 million euro in 2017 and to establish security interests in movable and immovable assets of the company. Also, we propose the empowerment of the Board of Administration of COMPAS S.A. Sibiu in order to contract these investment loans, lines of credit, leasing assignments and letters of guarantee up to the cumulative total limit of 30 mil. Euro for year 2017, and to establish collateral security interests in movable and immovable assets of the company.

Chairman & CEO

Ioan DEAC

Financial Manager,

Ioan MICLEA