

**SC CONPET SA**

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Cod unic de înregistrare: R 1350020, Cod CAEN 4950  
Inregistrata la Registrul Comertului Prahova sub nr.J29/6/22.01.1991  
Capital social subscris si versat 28 569 842,40 lei



48373 / 19.12.2015

**Current Report no. 34/2014  
as per Law no. 297/2004 and CNVM Regulation no. 1/2006**

<b>Date of the report</b>	<b>19.12.2014</b>
<b>Name of the Issuing Entity</b>	<b>S.C. CONPET S.A. Ploiești</b>
<b>Registered Office</b>	<b>No. 1-3, Anul 1848 Street, Ploiești</b>
<b>Phone/Facsimile/E-mail</b>	<b>0244/ 401360/ 516451/ 402385/ <u>actionariat@conpet.ro</u></b>
<b>Sole Registration Number</b>	<b>1350020</b>
<b>No. at the Trade Registry</b>	<b>J29/6/22.01.1991</b>
<b>Subscribed and paid-up share capital</b>	<b>28,569,842.40 Lei</b>
<b>Total No. of Shares</b>	<b>8,657,528 nominative shares</b>
<b>The regulated market where the issued securities are being traded: B.V.B., 1<sup>st</sup> Tier</b>	

**Reporting significant events:**

**I.** The Board of Administration takes act, pursuant to Decision no. 16/18.12.2014, of the Report no. 48194/18.12.2014 *regarding the state of implementation of the disposed measures contained in the Decision no. 28/2013 of Prahova Chamber of Accounts*, ordering the public dissemination thereof by way of a current report.

We hereby attach the report no. 48194/18.12.2014.

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**II.** Status of the file no. 1269/105/2014 pending before Prahova law Court, where parties are Mr. Dorin Tudora and the company S.C. CONPET S.A..

As per the data displayed on the portal of the Courts (port.just.ro), in relation to the file no. 1269/105/2014 pending before Prahova Law Court, by way of the writing dated 17.12.2014, the Court rules that:

“Admits the exception of functional lack of jurisdiction. Declines the jurisdiction over the settlement of the cause in favor of Prahova Law Court, Second Civil Division dealing with the Contentious Administrative and Fiscal matters. No remedy at law.”

General Director  
Eng. Liviu Ilaș  
S.s. Illegible  
Stamp



Recommended for analysis and information in the Board of Administration meeting dated 18.12.2014

**S.C. CONPET S.A. PLOIESTI  
THE ECONOMIC DIRECTION  
THE FINANCE DEPARTMENT**

**Reg. No. 48194/18.12.2014**

**APPROVED  
GENERAL DIRECTOR**

**Eng. Liviu Ilasi  
S.s. Illegible**

### **Report**

#### **regarding the state of implementation of the disposed measures contained in the Decision no. 28/2013 of Prahova Chamber of Accounts**

During 27 - 29.10.2014, Prahova Chamber of Accounts performed the check of the means to carry-on the measures contained in the Decision no. 28/2013 addressed to S.C. CONPET S.A. and concluded the report regarding the means to carry-on the measures contained in the Decision (the follow-up report) that was registered under no. 42005/29.10.2014 at the company registry and under no. 126 dated 27.10.2014 in the Control Ledger.

The results of the audit action have been presented in detail in the report no. 42351/30.10.2014 presented in the BOA meeting dated 05.11.2014.

We hereby inform you that following the audit, based on the Organizational and Operational Rules governing the Court of Accounts approved by the Decision of the full Court of Accounts no. 155/2014, the Director of Prahova Chamber of Accounts issued Decision no. 3172/651/2013/28.11.2014 that was submitted both to the General Meeting of Shareholders of S.C. CONPET S.A. (by letter 47754/15.12.2014) as well as to the General Director of S.C. CONPET S.A. (by letter no. 47755/15/12/2014).

According to this new Decision, has been granted an extension of the deadline to carry-on the partially achieved measures/recommendations contained in Decision no. 28/2013, namely up to **30.06.2015**.

The synthesis of the irregularities, of the ongoing measures/recommendations as per the Decision 28/2013, as well as the progress of the fulfilment thereof, is as follows:

#### **I.1. Ascertained irregularity**

The entity did not comprise in the share capital all the lands to be found in the Company's Assets for which have been obtained Land Ownership Certificates as of 2002-2005.



## Disposed Measure

Clarifying the legal situation of the lands included in the inventory of the State public domain and for which S.C. CONPET S.A. holds Land Ownership Certificates, given that they represent administrative acts having entered civil circulation and produced legal effects. The augmentation of S.C. CONPET S.A. share capital by the value of the 47 lands for which have been obtained Land Ownership Certificates.

### Measures taken during the period between the date of the audit, to date:

#### a) regarding the augmentation of the share capital

On 04.11.2014, S.C. CONPET S.A. management initiated a meeting at NAMR headquarters Bucuresti, on the Agenda being stipulated as objective also „the clarification of the situation of the lands for which S.C. CONPET S.A. obtained Land Ownership Certificates during 2001-2005 and that have not been included in the share capital as the NAMR representatives raised claims, following the inventory of the lands in 2006 aiming at the delimitation of certain land areas for which have been obtained Land Ownership Certificates in view of translating thereof into the State public domain.

Based on the exposed arguments, the NAMR representatives reckoned that the claim to delimit the lands in absence of a legal regulation does not justify and S.C. CONPET S.A. is entitled to take all necessary measures to augment the share capital by the the entire land surface for which has been obtained Land Ownership Certificates, as per the legal provisions.

The conclusions of the meeting have been included in the Minutes registered at S.C. CONPET S.A. headquarters under no. 54.380/27.11.2014 and at NAMR under no. 12.832/02.12.2014.

Concurrently, by letter no. 43.375/10.11.2014 have been requested clarifications to the Department for Energy - The General Direction for Privatization and State Assets' Recovery in Energy regarding the assessment method in relation to the lands that are to be included in the share capital.

To date has been received no reply on the matter, but once with the annual revaluation at 31.12.2014, an external evaluator is to also establish the value of the lands by which will be increased the share capital.

#### b) regarding the state of completion of the dismantling works on the lands for which S.C. CONPET S.A. holds Land Ownership Certificates and which have been translated to State public property.

Until the date of this document, out of the 11 lands in total surface of 150,282.84 sqm, which have been translated into the goods inventory-public property of the State, which are in joint posession with lands held by S.C. CONPET S.A., pursuant to the service supply contract no. S-CA CD 418/04.12.2013 concluded with S.C. TERRA GEODESIS SOLUTION SRL Ploiesti, a company authorized to perform topographical works, have been completed the dismantling works for 9 land areas, as follows:

1.- Poiana Lacului;



- 2.- Videle;
- 3.- Orlesti;
- 4.- Barbatesti 1;
- 5.- Barbatesti 2;
- 6.- Barbatesti 3;
- 7.- Constanta sud 1;
- 8.- Constanta sud 2;
- 9.- Cernavoda

Other 2 locations are under settlement, Ciresu crude oil loading Ramp and Cartojani automated Station, the latters being in the following phases of execution:

Ciresu Ramp – have been submitted with address no.44035/17.11.2014 the dismantling documents, to the Town Planning within Ciresu Common-Hall – until the date of this address no Town Planning Certificate has been submitted;

Cartojani Station – at the request of the Land Registry Office was submitted the application no. 46103/03.12.2014 at the Common-Hall of Roata de Jos Commune, by which we requested the issuance of a bulletin revealing the land category with specification of the cadastral number – application to which we have received no answer until the date of this address.

The work completion term is two months from the date of handing the last document to the contracted company.

**Conclusion:** based on the data presented we hereby estimate that the disposed measures can be achieved up to 30.06.2015 set out in the Decision 3172/651/2014 from 28.11.2014.

### ***1.2 Ascertained Irregularity***

During audit was ascertained that there is no congruence between the data registered by the entity regarding the inventory of the goods belonging to the State public domain in the accounts off balance sheet and the ones present in the annex to the oil agreement approved by GD no.793/2002 regarding the approval of the oil concession agreement of the Crude Oil N.T.S., as the last government decision initiated by NAMR Bucharest was GD no.1522/12.12.2007, the public Assets suffering amendments up to date.

### ***The disposed Measure***

Carrying on the approaches towards the National Agency for Mineral Resources and also towards the coordinating ministry, for the update, pursuant to the legal provisions, of the inventory of the goods belonging to the State public domain, as well as for the translating of some goods from the State public domain to the State private domain, in view of discard/capitalization.

### **Measures taken**

The situation was clarified by GD 952/2014 and the general inventory of the Assets for the year 2014.

**Conclusion:** 100% achieved measure



### **I.3 Ascertained Irregularity**

Following the verification of the procurement contracts, during the audit were ascertained cases where the compliance with the contractual clauses was not observed, meaning the penalties were not calculated, invoiced or collected.

Therefore:

On the termination of the works execution contract with SC CONFIND SRL Campina, the contracting authority SC CONPET SA did not calculate, request, invoice and collect the penalties provided in the contract, in amount of 105,602 Lei.

**The disposed Measure:** the recovery of the prejudices

Following the application of the revision measure related to the works contract and the calculation of the contractual penalties SC Ecprod SA Targoviste was charged with penalties in amount of 25,728.69 Lei for the delay in the execution of the ecologization works preformed based on the S-Ca contracts 29/22.02.2008 and S-CA 30/22.02.2008.

For the recovery of the penalties amounting to 25,728.89 Lei, the Legal, Litigation Department, pursuant to the internal memo no. 23618/20.06.2013 submitted by the Environment Department, formulated "a lodged claim against the effects of the debtor S.C. Ecprod S.A." and a request for relief from effects of expiry, both having been submitted to the file 2803/120/2013 pending before Dambovita Law Court.

The request was registered at Dambovita Law Court on 26.06.2013 and communicated, at the same date, to the official receiver of S.C. Ecprod S.A.. On 04.10.2013, the official receiver of S.C. Ecprod S.A. approved the request formulated by S.C. CONPET S.A., recording the debt claim amounting at 25,728.89 Lei in the preliminary additional list of debts.

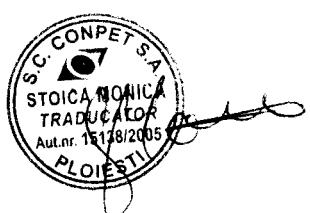
Upon the term 07.10.2013, the court took note of the record of CONPET debt claim in the preliminary additional list of debts.

Up to date have not be registered appeals expressed by the other creditors or the debtor Ecprod SA regarding the receivable requested by the creditor CONPET.

b) By address no. 34552/09.09.2013, CONPET communicated to **Confind SRL** the quantum of the penalties, requiring the settlement thereof within 5 days.

On 11.09.2013, by address no.4211, Confind SRL informs our company on not being liable for the calculated penalties, invoking the non-existence of its guilt in the failure to perform the works, delay due to the lack of the dismantling permit.

Following this refusal, CONPET formulated, on 28.10.2013 the sue petition of Confind SRL Campina, to Ploiesti District Court, in view of ordering thereof to pay the amount of 166,227.10 Lei as liquidated damages. In this respect, with P.O. no. 6803/18.10.2013 CONPET S.A. paid the legal stamp duty in amount of 4,429.54 Lei necessary for filing in court Confind SRL. Based on the application filed to instance opened the file no. 25148/281/2013, the first



hearing set out by the instance being the date of 24.09.2014, term resulting from the Court Clerk Certificate issued on 30.10.2013.

**Conclusion**

The cause of failure to fulfill in full the measures for prejudices recovery cannot be attributable to the company, as it has taken measures of recovery thereof, **the litigations pending before the law courts.**

This aspect was also mentioned in the follow-up report no. 42005 from 29.10.2014 prepared by Prahova Chamber of Accounts.

We hereby mention that, pursuant to the provisions of the regulation of the Chamber of Accounts given for the application of the provisions of Law 94/1992 regarding the organization and operation of the Chamber of Accounts, in case of ascertaining irregularities causing prejudices, they will be tracked and reported until the recovery in full thereof, following the acquire of a final and irrevocable solution in instance.

Economic Director  
Econ. Sanda Toader

S.s. Illegible

Finance Director  
Econ. Veronica Curteanu

S.s. Illegible

