

## MANDATE CONTRACT

Concluded today \_\_\_\_\_

### I. Preamble

Considering the following:

- Government Decision no. 1213/1990 on the establishment of commercial companies in the industry, by taking over the entire active and passive of the I.T.T.C Ploiesti;
- O.U.G. no. 109/2011 on the Corporate Governance of Public Enterprises ("EGO 109/2011") approved with amendments and completions by Law no. 111/2016;
- the provisions of Law no. 31/1990 on commercial companies, republished, as amended and supplemented, ("Law No 31/1990");
- the provisions of Law no.297/2004 regarding the capital market, with amendments and completions ("Law 297/2004");
- the provisions of Law no. 24/2017 regarding the issuers of financial instruments and market operations;
- Government Decision no.722/2016 for the approval of the Methodological Norms for the application of certain provisions of the Government Emergency Ordinance no.109/2011 on Corporate Governance of Public Undertakings (GD 722/2016);
- Articles of Incorporation of CONPET S.A. Ploiesti updated;
- the provisions of Art. 1913-1919, art. 1924, as well as Art. 2009 and following of the Civil Code;
- the decision of the Ordinary General Meeting of Shareholders of the company no. \_\_\_\_\_ dated \_\_\_\_\_ of approval of the contract between the company and the company's administrators

and that

- by Decision no. \_\_\_\_\_ on \_\_\_\_\_, the Ordinary General Meeting of Shareholders of the Company appointed \_\_\_\_\_ as member of the Board of Administration and it has expressly accepted the appointment, following to exercise, together with the other members of the Board of Administration, the duties stipulated by Law no. 31/1990, by the Articles of Incorporation of the Society, (the "Articles of Incorporation"), and by EGO no. 109/2011, by Law no.297/2004 and by the Law no. 24/2017;
- Law no. 31/1990 and EGO no. 109/2011, require the members of the Board of Administration not to be in a legal relationship with the company during their term of office;
- it is necessary to establish the rights and obligations of the signatory parties in the context of a civil law relationship, appropriate to the exercise of the membership of the Board of Administration.

the parties agree to conclude this mandate contract, following the agreement of the Signatories.

### II. Contractual parties

**Art. 1. Company CONPET – S.A.**, a company managed in a unitary system, having its registered offices in Ploiesti, No.1-3. Anul1848 Street, Ploiesti, Prahova County, registered at the Trade Register Office attached to the Court of Law under No. J29/6/1991, TIN – RO 1350020, represented

by ....., as the **agent**, (*the "Company"*).

and

\_\_\_\_\_, Romanian citizen, born on \_\_\_\_\_, in \_\_\_\_\_, domiciled in \_\_\_\_\_, street \_\_\_\_\_, no \_\_\_\_\_, floor \_\_\_\_\_, apt \_\_\_\_\_, sect. \_\_\_\_\_, identified by C.I. series \_\_\_\_\_, no. \_\_\_\_\_, personal identification number \_\_\_\_\_ as administrator or trustee ("**Administrator / Trustee**").

### III. Definitions

**Art. 2.** In this Madate Contract, the terms below will have the following meanings:

- a. **Articles of Incorporation/Statute** - Articles of Incorporation of CONPET SA (hereinafter called The Company), approved by the General Meeting of Shareholders of the Company, as in force at the date of this Administration Agreement or how be amended / supplemented / reformulated by the decision of the Company's Extraordinary General Meeting of Shareholders;
- b. **Applicable legal framework** - the set of Romanian legal norms included in EGO no. 109/2011, Law no. 31/1990, Law no. 297/2004, Law no. 24/2017, the Civil Code, the Fiscal Code, as well as in other normative acts incident to the present Administration Agreement, applicable to the parties;
- c. **Conflict of Interest** - any circumstances or circumstances determined / determinable under the applicable legal framework and the Company's Organization and Functioning Regulation ("Company's ROF") and The Organization and Functioning Regulation of the Board of Administration ("BoA's ROF") where the personal interest, directly or indirectly, of the Administrator is contrary to the Company's interest, so that it affect or may affect its independence and impartiality in taking business decisions or timely and objectively fulfilling its duties in the exercise of his mandate for the Company;
- d. **Inside information** – accurate information which has not been disclosed to the public, which directly or indirectly refers to one or more issuers or to one or more financial instruments, and which, if disclosed to the public it could bear significant impact on the price of the said financial instrument or on the price of the related derivative financial instruments;
- e. **Confidential information** – means and includes any information regarding the Company's economic activity, which is not public information under (i) the law, (ii) the resolutions of The General Meetings of Shareholders, (iii) The Board of Administration's decisions and (iv) internal regulations of the Company.  
The confidential information mainly refers, without limiting, to:
  - Contractual terms and any other information regarding the business partners clients, investors and suppliers of the company, as well as the conditions based on which the company performs economic activities with any of these persons;
  - IT Software algorithms, procedures or techniques used by the Company;
  - Information regarding the company's future plans including, but without limiting, to: plans for extending to geographical areas, market segments or services;
  - Marketing strategies which have been developed investigated, acquired (from third-party or otherwise), or used by the Company;
  - Any other information acquired by the administrator along his mandate on which one could reasonable appreciate that reflects vulnerabilities of the Company.
- f. **Impossibility to exercise the legal mandate / impediment** - (i) Any circumstance that creates an unavailability with a duration of 90 consecutive calendar days or more, lacking the possibility for the administrator to carry out his / her duties either personally or through representation, (ii) preventive arrest, (iii) execution of a custodial sentence, (iv) annulment

of the decision of the general (ordinary) meeting of the shareholders of the Company for the appointment of the administrator; s.a.;

- g. **Remuneration** due to the Administrator - means the remuneration consisting of a fixed monthly allowance and a variable component established on the basis of financial and non-financial performance indicators negotiated and approved by decision of the General Meeting of the Shareholders, in compliance with the provisions of Art. 153<sup>18</sup> of Law no. 31/1990 and Art. 37 of EGO no. 109/2011;
- h. **Force majeure** - means any external, unpredictable, invincible and inevitable event that could not have been foreseen at the time of the conclusion of this Administration Agreement and renders impossible the execution and fulfillment of the Mandate Contract; such events are considered to be: wars, revolutions, fires, floods or any other natural disasters, restrictions resulting from quarantine, embargo, enumeration not exhaustive but enunciatory. An event like the above is not considered force majeure which, without creating an impossibility of execution, makes it extremely costly to carry out the obligations of one party.
- i. **Business Decision** - means any decision to take or not to take certain measures regarding the management of the *Company*;
- j. **Fortuitous event** - means an event that could not be predicted by the administrator or prevented by it happening; are assimilated to the fortuitous event the modification of the legal, regulatory and fiscal framework in Romania existing at the signing of this Contract and which further impedes the *Company*;
- k. **Financial and non-financial performance indicators** - performance indicators negotiated and approved by the general meeting of the shareholders, other than those approved for executive administrators, determined by an addendum to the Mandate Contract.
- l. **Legal Framework** - means all applicable laws, regulations, decrees and any other applicable regulatory acts issued by national, international, regional, local or other governmental authorities, here included the applicable acts, considering the Company is being listed on the Bucharest Stock Exchange.

#### IV. *Object of the contact*

**Art. 3.** By this Mandate Contract, the Administrator is empowered to adopt, along with the other administrators, all the necessary measures for the management of the *Company*, in accordance with the provisions of the applicable legal framework, as well as the Articles of Incorporation of the Company and those of this Mandate Contract within the limits the object of the Company's activity and respecting the exclusive competencies reserved by Law no. 31/1990, EGO no. 109/2011, Law 297/2004, Law 24/2017 and the Articles of Incorporation, the Board of Administration, the Chairman of the Board of Administration and the General Meeting of Shareholders.

**Art. 4.** In order to fulfill the object of this Mandate Contract, the Administrator will perform all necessary acts for the management of the Company's assets in the best interest of the Company in order to fulfill the object of activity and will exercise the attributions established for it by the Articles of Incorporation and by this Mandate Contract.

**Art. 5.** The place of fulfillment of the Mandate is at the Company's registered office, indicated at art. 1 of this Agreement or to the place where he acts as a representative of the Company. The place of performance of the Mandate may be modified by the Company and may be established either at the headquarters of the Company's branches or at another location established by the Company. The decision to change the place of performance of the mandate is communicated through the *Company's* care.

#### V. *Duration of the Mandate Contract*

**Art. 6.** The Mandate Contract is concluded for a period of 4 years starting on \_\_\_\_\_ until \_\_\_\_\_ and can be renewed by GMS decision

only after evaluation of the Administrator's activity and under the proper performance of the duties / obligations assumed hereunder.

## **VI. Obligations of the Administrator**

**Art. 7.** The administrator is required, **together with the other members of the Board of Administration**, to exercise the following *main duties*:

- 7.1. to develop, within a maximum of 30 days from the date of appointment, a proposal for the administration component of the administration plan in order to achieve the financial and non-financial performance indicators;
- 7.2. to approve the management plan it develops in collaboration with the directors/director general and will include the management component and the managerial component drawn up by the directors, under the terms of the law;
- 7.3. to convene the General Meeting of Shareholders to negotiate and approve the financial and non-financial performance indicators resulting from the management plan, within the 5 days following the approval of the management plan, by the Chairman of the Board of Administration.
- 7.4. to negotiate the financial and non-financial performance indicators based on the management plan and the letter of expectations, within 30 days from the date of their communication to the public tutelage authority. If at the expiration of this term the negotiation is not completed, the deadline may be extended once only by up to 30 days at the request of any of the parties involved.
- 7.5. to establish the main directions of activity and to approve the development strategy of the Company;
- 7.6. to establish, without limitation, consultative committees which have the duty to perform investigations and issue recommendations for the Board such as the nomination and remuneration committee and the audit committee, in accordance with the legal provisions in force;
- 7.7. to set accounting policies and the financial control system and to approve financial planning, as appropriate;
- 7.8. to approve the annual procurement program, to approve/endorse protocols regarding the results of the inventory of the goods belonging to the Company's patrimony/to the public property of the State (art. 20, para. (1), letter o of the articles of incorporation);
- 7.9. to approve the proposals regarding the global strategy related to the development, revamping, modernization, economic financial restructuring (art. 20, para. 1, letter u of the Articles of Incorporation);
- 7.10. to approve the Collective Labor Agreement at company level (art. 20, para. 1, letter g of the articles of incorporation);
- 7.11. to conclude legal papers in the name and on behalf of the company, based on which to acquire goods for the latter or to dispose lease, change, or to pledge as security goods to be found in the company's patrimony, where the value thereof exceeds half the accounting value of the company's assets at the date of conclusion of the legal paper, exclusively by the approval of the extraordinary General Meeting of Shareholders (art. 20, para. 1, letter c of the articles of incorporation)
- 7.12. to approve the organisation of structure and the related personnel structure, the company's internal organisation and functioning regulation (art. 20, para. 1, letter h of the articles of incorporation)
- 7.13. to delegate the management of the Company to one or more directors, appointing one of these Directors to select, appoint, and revoke directors and director general and determine their remuneration on the recommendation of the nomination and remuneration committee;
- 7.14. to assess the activity of the director general on a quarterly basis both in terms of the execution of the Mandate Contract concluded with it and in respecting the observance and implementation of the management component of the management plan;
- 7.15. to approve the Rules of Organization and Functioning of the Board of Administration;
- 7.16. to establish the delegated powers in the competence of the executive management of the Company, respectively in the competence of the general manager and the other appointed mandates, in order to execute the operations of the Company;

- 7.17. to approve the conclusion of any contracts for which has not delegated the competence of the general director and directors, within the limits provided by the Articles of Incorporation;
- 7.18. to prepare an annual report on the activity of the Company in compliance with the provisions of Art. 56 of GEO no. 109/2011;
- 7.19. to convene/or, as the case may be, endorse the General Meeting of Shareholders to participate to the meetings of the general meeting of shareholders and to implement the resolutions of the general meetings of shareholders, to inform all shareholders about any act or event likely to have a significant influence on the Company's situation;
- 7.20. to report annually to the company's general meeting of shareholders within the period provided for by the relevant legislation, the report on the Company's activity, the balance sheet and the profit and loss account, to make recommendations on the distribution of profits and to endorse the draft income and expenditure budget of the Company;
- 7.21. to approve, within 90 days of the appointment of the directors / director general, the management component of the management plan drawn up by them/thereby;
- 7.22. to determine the level of contracting of current bank loans, short- and medium-term commercial credits and to approve the issuance/establishment of guarantees, according to the Articles of Incorporation;
- 7.23. to introduce, if necessary, the application for the opening of the *Company's* insolvency proceedings, according to the law;
- 7.24. to propose to the general meeting of the Company's shareholders the increase of the share capital when this measure is necessary for carrying out the activity, setting up / dismantling of new units / subunits, merger, division, as well as the establishment of legal persons, with or without legal personality, persons from the country / abroad;
- 7.25. to exercise the powers delegated to him by the *Company's* general meeting of shareholders according to the Company Law no. 31/1990, as well as any other attributions provided by the law or by the Articles of Incorporation in its charge;
- 7.26. to present, within General Meeting of Shareholders, on a semi-annual basis, a report on the management activity, including information on the execution of the directors' mandate contracts, details of the operational activities, the financial performance of the company and the half-yearly accounting reports of the company;
- 7.27. to approve the level of professional liability insurance for the director general and the other appointed directors appointed with mandate, if applicable, under the law;
- 7.28. to adopt, within 90 days of the date of appointment, a Code of ethics, which shall be published by the Chairman of the Board of Administration on the Company's own website and reviewed annually, if necessary, with the advice of the internal auditor, being republished;
- 7.29. to allocate the time, knowledge and effort required to perform the duties of non-executive member of the Board of Administration of the Company;
- 7.30. to participate at the Board of Administration meetings and review / review the documents and the necessary information to actively contribute to the Board's discussions and actively participate in the Board's annual evaluation exercise;

7.31 to treat all shareholders equally and not assume any kind of special obligations towards one shareholder or another in connection with the company's business;

7.32 to observe the provisions of the legislation and the capital market regulations regarding the inside information regime;

**Art. 8.** The administrator is also bound:

8.1. not be linked to the Company through a labor contract;

8.2. to take all necessary measures to protect the Company's heritage;

8.3. not to conclude legal acts with the Company, except under the conditions laid down by law;

8.4. to ensure that the financial information produced by the Company is accurate and that financial control and risk management systems are effective.

**Art.9** The Administrator undertakes, together with the other Administrators, to carry out the management plan and GMS decisions.

**Art.10.** The administrator, together with the other administrators, has the obligation to convene the general meeting of shareholders to approve any transaction if he has, individually or in a series of transactions concluded, more than 10% of the value of the net assets of the Company or more than 10% of the Company's turnover according to the latest audited financial statements, with the administrators or directors, with the employees, with the shareholders holding the control over the company or a company controlled thereby, as well as with the spouse, relatives or affinity up to the fourth degree including those mentioned.

**Art. 11.** The Administrator, together with the other administrators, has the obligation to inform the shareholders, within the first general meeting of shareholders after the conclusion of the legal act, of any transaction concluded by the Company with:

a) persons referred to in Art.10 if the transaction value is below 10% of the Company's net asset value or higher than 10% of the Company's turnover according to the latest audited financial statements;

b) another company or the tutelage public authority, if the transaction has a value, individually or in a series of transactions, of at least the equivalent in lei of EUR 100,000.

**Art. 12.** The administrator, together with the other administrators, has the obligation to present to the general meeting of shareholders, in the semi-annual and annual reports, in a special chapter, the legal acts concluded under Art.11 and Art.12, specifying the following elements: the parties who have concluded the legal act, the date of the conclusion and the nature of the act, the description of the object, the total value of the legal act, the reciprocal claims, the guarantees, the deadlines and the payment arrangements and any other essential and significant information with the respective legal acts, as well as any information necessary to determine the effects of the respective legal acts on the financial situation of the Company.

## **VII. *Rights of the Administrator***

**Art. 13.** The administrator receives a monthly gross fix allowance for the performance of the granted mandate in amount of \_\_\_\_\_Lei, equal to twice the average for the last 12 months of the monthly average gross earnings for the activity carried out according to the main object of activity registered by the company at the class level, as per the classification of activities in the national economy,

communicated by the National Institute of Statistics prior to the appointment, according to the Decision of the General Meeting of Shareholders no. ... / ... ..

**Art. 14.** Payment of the remuneration is made once a month, namely on ..... of the current month, irrespective of the number of sessions in the month for which the payment is made.

**Art. 15.** The administrator also benefits from the payment of a variable component.

The variable component is determined and granted depending on the achievement of the objectives included in the management plan and the financial and non-financial performance indicators approved by the general meeting of the shareholders. The variable component, as well as the conditions for the revision of the objectives and the performance indicators, are established by an addendum to this Agreement, which will be concluded based on the approval of the general meeting of the shareholders of the negotiated financial and non-financial performance and the Addendum of the Mandate Contract.

**Art. 16** Participate in a training program with a minimum of one week / year in which to hold training sessions on corporate governance, law, as well as in any other areas chosen by shareholders, at the cost of the Company.

**Art. 17** The Company binds to the Administrator at:

a) reimbursement of the expenses related to the execution of the warrant, on the basis of supporting documents, in the same amount corresponding to the position of general manager, but not limited to: accommodation, subsistence, transport and any other expenses related to execution mandate and regardless of whether they have been brought to the country or abroad;

(b) the provision of equipment and other logistics support needed to perform its duties and obligations more efficiently and in an appropriate and secure manner; if this happens, the Administrator undertakes to use this equipment in accordance with the instructions given by the Company.

**Art.18** The Administrator shall be entitled to a "directors & officers liability" policy. The company will bear and pay the cost of the insurance premiums.

**Art. 19** The Administrator may benefit, together with the other Administrators, under the law, of specialized assistance for substantiating the decisions taken within the Board as well as of legal assistance when formulating certain actions for claims by a third party and formulated against the administrator in relation to the fulfilment of his duties under this Contract of Mandate, Articles of Incorporation, Organisation and functioning Regulation of the BoA, or the Legal Framework.

### ***VIII. Rights of the Company***

**Art. 20.** *The Company* has the right to require the Administrator to exercise his mandate in the sole interest of the Company and to ask him / her to account for the way in which he exercises.

### ***IX. Obligations of the Company***

**Art. 21.** *The Company* undertakes to pay all the monetary rights due to the administrator provided in this Mandate Contract, including withholding at source and timely payment of income tax and all other compulsory, tax or other contributions, which are the responsibility of the administrator, on behalf of and on account thereof.