

**SC CONPET SA**

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Cod unic de inregistrare: R 1350020. Cod CAEN 4950  
Inregistrata la Registrul Comertului Prahova sub nr.J29/6/22.01.1991  
Capital social subscris si varsat 28 569 842.40 lei



**ARTICLES OF INCORPORATION**  
**Of the company "CONPET" S.A.**

**CHAPTER I**  
**NAME, LEGAL FORM, HEADQUARTERS, DURATION**

**Art. 1 Name of the Company**

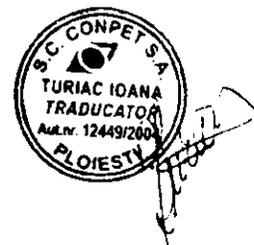
- (1) The company name is „CONPET”S.A. (herein-after called also the „company”).
- (2) In all documents, invoices, notices, publications and generally, in the company correspondence, the name thereof will be preceded or followed by the words „joint-stock company” or by the initials „S.A.”, stating the headquarters, subscribed and paid-up share capital, sole registration code and Trade Registry number.

**Art. 2 Legal Form of the Company**

- (1) „CONPET” S.A. is Romanian legal person, incorporated as a joint-stock company.
- (2) „CONPET” S.A. is publicly held company.
- (3) The Company is operating in compliance with the provisions of this Articles of Incorporation, of Law no. 31/1990 regarding the companies, of EGO no. 109/2011 regarding the corporate governance of the public enterprises, of the Civil Code and of all other laws and regulations applicable to the companies.
- (4) The emblem (logo) of the company is made up by the joining of two elements: in the left side, the symbol and in the right side, the company name (logotype). The symbol represents a set made of two drops: a green one and a blue one; the green drop is pointing top right (1 o'clock), while the blue drop is pointing down left (7 o'clock). The company name - „CONPET” S.A. - is placed right of the symbol, has a proportional dimension in relation hereto, is written in block letters, Italic, and in the same colour with the blue drop.

**Art. 3. The Company Headquarters**

- (1) The company headquarters is in Romania, no. 1-3 Anul 1848 Street, Ploiesti city, Prahova county. The company headquarters may be changed to other locality from Romania, based on the decision of the Extraordinary General Meeting of Shareholders, as per the law.
- (2) The company may also incorporate and disincorporate other sub-units (secondary establishments, work sites, branches, agencies, representative agencies, or other types of sub-units with no legal personality), to be found in the same locality and/or in other localities, in the country or abroad, under the law and as per this Articles of Incorporation, by the approval of the Board of Administration. The secondary establishments (work sites) of the company are comprised in Annex 2 to the Articles of Incorporation.

**Art. 4 Company Duration**

The lifetime of the company is unlimited, starting as of the date of registration at the Trade Registry under no. J29/6/22.01.1991.

## CHAPTER II SCOPE, OPERATING AREA AND CORE ACTIVITY OF THE COMPANY

### **Art. 5 Company Scope**

The company is the concessionaire of the National Crude Oil, Rich Gas and Liquid Ethane Pipeline Transport system, inclusive of the major pipelines and equipment, installation and facilities related to the System, quality acquired by the conclusion with NAMR, in 2002, of the Oil Concession Agreement approved pursuant to GD no. 793/2002.

### **Art. 6 Operating Area and Core Business of the Company**

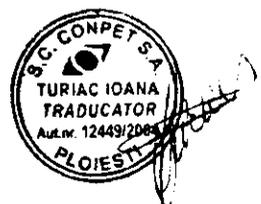
- (1) The company activity area is „Transport through pipelines” - NACE Code 495.
- (2) The core business of the company is „Transport through pipelines” - NACE Code 4950.

### **Art. 7 Secondary Lines of Business**

0150 Activities in mixed farming (crop and animal production),  
0910 Support activities for petroleum and natural gas extraction,  
1011 Processing and preserving of meat,  
1012 Processing and Preserving of poultry meat,  
1013 Production of meat, including poultry meat products,  
1020 Processing and preserving of fish, crustaceans and molluscs,  
1031 Processing and preserving of potatoes,  
1032 Manufacture of fruit and vegetable juice,  
1039 Processing and preserving of fruits and vegetables,  
2529 Manufacture of tanks, cisterns and containers of metal  
2593 Manufacture of wire products, chains and springs  
3313 Repair of electronic and optical equipment  
3314 Repair of electrical equipment  
3319 Repair of other equipment  
3320 Installation of industrial machinery and equipment  
3513 Distribution of electricity  
3530 Steam and air conditioning supply  
3600 Water collection, treatment and supply  
3700 Sewerage  
3811 Collection of non-hazardous waste  
3821 Treatment and disposal of non-hazardous waste  
3900 Remediation activities and other waste management services  
4321 Electrical installation  
4329 Other construction installation  
4511 Sale of cars and light motor vehicles (< 3.5 tons)



4519 Sale of other motor vehicles  
4520 Maintenance and repair of motor vehicles  
4671 Wholesale of solid, liquid and gaseous fuels and related products  
4676 Wholesale of other intermediate products  
4677 Wholesale of waste and scrap  
4690 Non-specialized wholesale trade  
4711 Retail sale in non-specialized stores with predominant sale of food, beverages or tobacco,  
4719 Retail sale in non-specialized stores with predominant sale of non-alimentary products,  
4721 Retail sale of fresh fruits and vegetables in specialized stores,  
4722 Retail sale of meat and meat products in specialized stores,  
4723 Retail sale of fish, crustaceans and molluscs in specialized stores,  
4724 Retail sale of bread, cakes, flour and sugar confectionery in specialized stores  
4730 Retail sale of automotive fuel in specialized stores  
4920 Freight rail transport  
4939 Other passenger land transport  
4941 Freight transport by road  
5210 Warehousing and storage  
5221 Service activities incidental to land transportation  
5224 Cargo handling  
5229 Other transportation support activities  
5510 Hotels and similar accommodation  
5610 Restaurants  
5629 Other food service activities  
5829 Other software publishing  
6110 Wired telecommunications activities  
6120 Wireless telecommunications activities  
6203 Computer facilities management activities  
6209 Other information technology and computer service activities  
6311 Data processing, hosting and related activities  
6810 Buying and selling of own real estate  
6820 Renting and operating of own or leased real estate  
7112 Engineering activities and related technical consultancy  
7120 Technical testing and analysis  
7219 Research & Development on natural sciences and engineering  
7711 Renting and leasing of cars and light motor vehicles  
7712 Renting and leasing of trucks  
7721 Renting and leasing of recreational and sports goods  
7732 Renting and leasing of construction and civil engineering machinery and equipment  
7733 Renting and leasing of office machinery and equipment (including computers)  
7739 Renting and leasing of other machinery, equipment and tangible goods n.e.c.  
8299 Other business support service activities n.e.c.  
8559 Other education n.e.c.  
8610 Hospital assistance activities  
8690 Other human health activities  
9311 Operation of sports facilities



**CHAPTER III  
SHARE CAPITAL, STOCKS**

**Art. 8 The Share Capital**

- (1) The total share capital of "CONPET" S.A. amounting 28,569,842.40 Lei is subscribed and entirely paid-up.
- (2) The share capital of the company is divided into 8,657,528 nominative shares issued in dematerialized form, in nominal value of 3.3 Lei each.
- (3) The shareholding structure, in compliance with the consolidated synthetic shareholding structure at reference date 22.01.2015, is the following:

The Romanian State, by the Ministry of Energy, Small and Medium-sized Enterprises and Business Environment  
(line ministry or successors thereof, as per the Law)

Number of shares: 5,083,372

Contribution value to the share capital: 16,775,127.60 Lei

Share on benefit and loss: 58.7162%

**SHAREHOLDERS LEGAL PERSONS**

Number of shares: 2,920,264

Contribution value to the share capital: 9,636,871.20 Lei

Share on benefit and loss: 33.7309%

**SHAREHOLDERS NATURAL PERSONS**

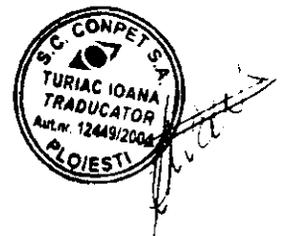
Number of shares: 653,892

Contribution value to the share capital: 2,157,843.60 Lei

Share on benefit and loss: 7.5529%

**Art. 9 Increase or decrease of share capital**

- (1) The share capital may be decreased or increased based on the decision of the Extraordinary General Meeting of Shareholders, under and in compliance with the procedure stipulated by law.
- (2) The Extraordinary General Meeting of Shareholders shall decide upon the augmentation of the share capital, in compliance with the legal provisions in force at the date of the augmentation thereof.
- (3) The share capital could be augmented by:
  - a) The issue of new shares;
  - b) Augmentation of the nominal value of the existing shares;
  - c) Incorporation of reserves, except for the legal reserves, as well as of the benefits and share premiums;
  - d) Compensation of certain liquid debts exigible to the company, by shares thereof;
  - e) Other sources, set by the General Meeting of Shareholders or Board of Administration, as the case may be, as per the law;
- (4) The Decision of the Extraordinary General Meeting of Shareholders for the augmentation of the share capital shall be published in the Official Gazette of Romania, Part. IV, being granted, for the exercise of the right of first refusal, at least one month deadline, starting the publishing date.
- (5) Reduction of the share capital is being made under the law.
- (6) The share capital could be reduced by:
  - (a) The diminution of the number of shares;



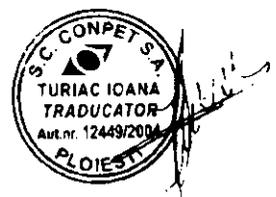
- (b) Reduction of the nominal value of shares;
  - (c) Acquirement of own shares, followed by the cancellation thereof;
  - (d) Other processes stipulated by law;
- (7) The reduction of the share capital can be done only following two months as of the date of publishing in the Official Gazette of Romania Part IV, of the Extraordinary General Meeting of Shareholders, as per the legal provisions.
  - (8) If the Board of Administration establishes that, following certain losses established based on the annual financial statements approved as per the law, the net asset of the company, determined as a difference between total assets and total liabilities thereof, lowered by less than half the value of the subscribed share capital, then the Board will convene immediately the Extraordinary Meeting of Shareholders, to decide upon the dissolution of the company.
  - (9) The Board of Administration will present to the Extraordinary Meeting of Shareholders convened as per the here-above paragraph, a report regarding the patrimonial situation of the company, accompanied by observations of the internal auditors. This report must be submitted to the company headquarters by at least one week prior to the General Meeting, as to be consulted by any interested shareholder.
  - (10) If the General Meeting does not decide upon the company dissolution, then the company is bound, up to the end of the financial year previous to the one the losses have been ascertained in relation hereto, to proceed to the reduction of the share capital by an amount at least equal to the amount of the losses that could not be covered from reserves, if all this time, the company net asset was not restored up to a value level that equals at least half the share capital.

#### **Art. 10 Shares**

- (1) The rights and liabilities related to the shares held by the shareholders stipulated at Art. 8, Paragr. (3), are being exercised by the respective owners.
- (2) The company shares are nominative and comprise all the elements stipulated by law. The nominal value of one share is 3.3 Lei. The shares are being issued in dematerialized form and are being registered in the Shareholders' Registry, the record thereof being held by Depozitarul Central S.A. Bucharest, to whom "CONPET" S.A. has concluded a contract.
- (3) The shares are being recorded in the Shareholders' Registry in book-entry form. The certification of the property right over shares is being made by way of a statement of account.
- (4) The shares issued by the company may be subject to usufruct or may be pledged, under the law.
- (5) The trading of shares is being performed on the securities regulated market, as per the legislation in force regarding the capital market.
- (6) The company may acquire own shares under the law.
- (7) "CONPET" S.A. employees have the right to purchase company shares from the State, up to the limit of the share capital set by the general meeting of shareholders and at the same selling price of the shares in case of privatization.

#### **Art. 11 Bonds**

- (1) The company can issue bearer or nominative bonds, for an amount that is to be approved in the Extraordinary General Meeting of Shareholders.
- (2) The amount for which can be issued bonds should not exceed three quarters (3/4) of the paid-up share capital existing as per the latest approved financial statements.



- (3) The nominal value of one bond cannot be smaller than 2.5 Lei and the nominal value convertible in shares should equal the nominal value of the share.
- (4) The bonds part of the same issue must be equal in value and grant equal rights to their holders.
- (5) The shares may be issued in a material form, on paper support or in dematerialized form.
- (6) The bond issue and trade that is subject to a public tender shall be subject to the law regarding the securities and stock exchange.
- (7) The bond holders may be represented by agents, other than the company administrators, directors or officials.
- (8) The company is authorized to issue bonds, under the law.

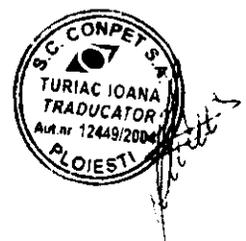
#### **Art. 12 Rights and Liabilities incurred by the Shares**

- (1) All shares have equal value and guarantee equal rights and liabilities to their holders.
- (2) Every subscribed and paid-up share, as per the law, guarantees the right to vote in the General meeting of Shareholders, the right to elect and be elected within the governing bodies, the right to take part to the distribution of dividends as per the provisions of this Articles of Incorporation and legal provisions, as well as other rights stipulated by law and the Articles of Incorporation.
- (3) The holding of shares involves the as of right acceptance of the Articles of Incorporation.
- (4) The rights and liabilities corresponding to the capacity of the share holder observes the legal regime of the shares at their passing to other persons' property.
- (5) The company liabilities are guaranteed with the company's assets, representing the general pledge of the company creditors, and the shareholders are liable in connection therewith, limited to the subscribed share capital.
- (6) The company's Asset cannot be subject to debts or other personal liabilities of the shareholders. Any shareholder's creditor may issue claims against the party out of the receivable benefits of the shareholder, following the approval of the annual balance sheet or any stake due to him upon the company liquidation, made under the law and this Articles of Incorporation. The creditors may, though, garnish, during the company life, the stakes that would be due to the associates upon liquidation or may sequester and sell the shares to their debtor.
- (7) The shareholders have the right to amend and complete, in the General Meeting of Shareholders, the information regarding the company status. In case of the issue of new shares, the existing shareholders benefit from the right of first refusal upon subscription, under the law.

#### **Art. 13 Disposal of Shares**

- (1) The company shares are indivisible.
- (2) In any relationship with the company, this one acknowledges one or more owners for every share. Whenever a nominative share becomes property of more persons, the conveyance shall not be recorded unless these persons nominate one representative to exercise the rights resulting from the share.
- (3) The ownership right over the shares issued in dematerialized form and traded on the regulated securities market shall be submitted in compliance with the legislation regarding the capital market.
- (4) The direct transactions will be operated by Depozitarul Central S.A. Bucharest.
- (5) The Company shares related transactions shall be made as per the legislation in force applicable to the organized securities markets.

### **CHAPTER IV GENERAL MEETING OF SHAREHOLDERS**

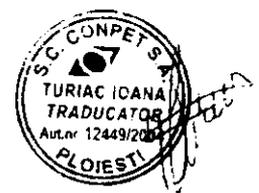


#### **Art. 14 Representation**

- (1) The majority shareholders of "CONPET" S.A. is the Romanian State. The rights and duties of the Romanian State, acting as majority shareholder, shall be exercised, within the General Meetings of Shareholders, by the line ministry coordinating the company business, by way of specific normative acts, by specially designated representatives, as per the legal provisions.
- (2) The State representatives in the General Meeting of Shareholders are being nominated and revoked by order of the line ministry. The voting right of the State representatives in the General Meeting of Shareholders "CONPET" S.A. will be exercised based on the special power of attorney submitted to the company in compliance with the legal provisions regarding the capital market and the other applicable regulations, the special power of attorney being accompanied by an Order of the Ministry of Economy/Instruction for the General Meeting.

#### **Art. 15. Duties**

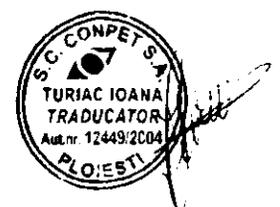
- (1) The General Meeting of Shareholders is "CONPET" S.A. management body, who decides upon the company business and trade and economic policy, as per the option of the shareholders present or represented during the meeting;
- (2) The General meeting of Shareholders are ordinary and extraordinary.
- (3) The Ordinary General Meeting of Shareholders meets at least once a year, in no more than 4 months as of the conclusion of the financial year and has the following competencies, duties and functions:
  - a) Discuss, approve or modify the annual financial statements, based on the administrators' or the financial auditor's report;
  - b) Elects and revokes the administrators as per the law;
  - c) Approves the administration plan issued and presented by the Board of Administration, as well as the revision thereof;
  - d) Appoints or revokes the financial auditor and sets the minimum duration of the financial auditing contract;
  - e) Sets the remuneration level and any other amounts and advantages due to the administrators for the current financial year, as well as the general limits of the remuneration of the General Director;
  - f) Approves the Organizational and Operational Rules and Regulations governing the Board of Administration and sets-out the competencies thereof;
  - g) Approves the income and expenditure budget (Rom. BVC) and the investment program for the next financial year, as well as the BVC rectification;
  - h) Approves the profit distribution as per the provisions of the normative acts in force and the fixing of dividends;
  - i) Passes judgments over the administrators management and the means to recover the losses they have caused to the company;
  - j) Decides upon pledging, leasing or dissolution of one or several company units;
  - k) Fulfils any other duty, set under the law, as being borne by them.
- (4) The Extraordinary General Meeting reunites whenever necessary in order to decide upon:
  - a) Changing the legal form of the company;
  - b) Changing the location of the company headquarters;
  - c) Changing the scope of activity of the company;
  - d) Set-up or dissolution of subsidiaries;



- d) Extending the company's life;
- e) Augmentation of the share capital;
- f) Reduction of the share capital or replenishment thereof by issue of new shares;
- g) Merger with other companies or division thereof;
- h) Anticipated dissolution of the company;
- i) Conversion of the shares from one category into another;
- j) Conversion of a category of bonds into another or into shares;
- k) Bonds issuance;
- l) Amendment of the nominal value and number of shares;
- m) Decides upon the contracting of average and long term bank loans, here-included the external ones; establishes the competencies and level for contracting the current bank loans, of the trade loans, as well as the level of the guarantees;
- n) Decides upon the participation, as per the law, at the establishment of new legal persons or at the association with other legal or natural persons from the country or abroad;
- o) May delegate to the Board of Administration the execution of the attributions mentioned at Art. 15, paragraph (4), letters b), c) and f). The delegation of the task stipulated at Art. 15, paragraph (4) letter c) cannot concern the main company area and business.
- p) Decides on what market is to be traded the securities issued by the company and the authorized independent registrar that manages the registers of shares issued by the company;
- r) Any other amendment of the Articles of Incorporation, or any other decision for which is being asked the approval of the Extraordinary General Meeting of Shareholders.

#### **Art.16 Call of the General Meeting of Shareholders**

- (1) The General Meeting of Shareholders is being convened by the Board of Administration, whenever necessary.
- (2) The call of the General Meeting of Shareholders shall comply with the legal provisions regarding the companies, as well as the regulations regarding the capital market and provisions of this Articles of Incorporation. The meeting deadline cannot be less than 30 days as of the publishing of the Convening Notice in the Official Gazette of Romania, part IV.
- (3) The convening notice will comprise venue, date and time of the meeting, as well as the Agenda, with the explicit mention of all the issues that shall make the object of the meeting discussions. Equally, it will comprise the reference date, as well as the due date up to which may be submitted the candidacies, where on the Agenda is being entered the election of the administrators. The Convening Notice will mention that the list comprising information regarding the name, place of domicile and professional qualification of the persons proposed for the administrator capacity is made available to the shareholders who can consult and complement it.  
Likewise, the convening notice will mention the means to distribute the information regarding the issues included on the Agenda of the General Meeting of Shareholders, as well as the date as of which they will be available, the means of obtaining the special power of attorney form for representation in the general meeting, the limit date and place where will be submitted the special powers of attorney, the proposal of the board of administration regarding the registration date. When on the Agenda are included proposals for the amendment of the Articles of Incorporation, the Convening Notice should comprise the full text of the proposals.
- (4) By way of the Convening Notice, for the first general meeting could be set the date and time for the second meeting, for the situation when the first one could not be held. If the day of the second general meeting is



not mentioned in the convening notice, the meeting could be convened in 8 days as of the publishing of the second call in the Official Gazette of Romania, part IV.

- (5) The Board of Administration calls urgently the general meeting of shareholders, at the request of the shareholders representing, individually or together, at least 5% of the share capital and if the request comprises provisions that fall under the attributions of the general meeting. The meeting will be convened in no more than 30 days and shall take place in no more than 60 days as of the date of the receipt of the request.
- (6) One or more shareholders representing, individually or collectively, at least 5% of the share capital have the right to introduce new items on the Agenda. The requests are being filed to the Board of Administration, in no more than 15 days as of the convening notice publishing date, for publishing thereof and bringing to the attention of the other shareholders. In case the Agenda comprises the appointment of the administrators and the shareholders are willing to formulate application for candidacies proposals, the requests shall include information regarding the name, place of domicile and professional qualification of the persons proposed for the said positions. The Agenda completed with the items advanced by the shareholders, subsequent to call, must be published by the observation of the same requirements stipulated for the call of the general meeting, by at least 10 days prior to the general meeting, at the date mentioned in the initial convening notice.
- (7) The annual financial statements, the annual report of the board of administration, as well as the proposal regarding the distribution of dividends shall be made available to the shareholders at the company headquarters, as of the call date of the general meeting. The company shall make available to the interested shareholders, all along the period starting at least 30 days prior to the date of the general meeting, no later than and inclusive of the meeting date, the documentation and informative materials that are to be exposed to the general meeting of shareholders, corresponding to every item on the Agenda, as well as other information stipulated by Law. Upon request, the shareholders will be issued copies of these documents. The amounts levied for the issue of copies cannot exceed the administrative expenses triggered by the supply thereof.
- (8) Every shareholder may address to the board of administration, in writing, questions regarding the company business, prior to the date of the general meeting, within the time frame stipulated in the convening notice of the general meeting; an answer is to be given during the meeting.

#### **Art. 17. Organization of the General Meeting of Shareholders**

- (1) For the validity of the deliberations of the ordinary general meeting of shareholders, are necessary:
  - (a) In first call, the presence of the shareholders (here-included the votes by correspondence) representing at least half (1/2) of the total number of voting rights and the decisions be taken with the majority of expressed votes.
  - (b) In second call, notwithstanding the number of the shareholders present or represented and the value of the represented share capital and decisions be taken with majority of expressed votes.
- (2) For the validity of the deliberations of the extraordinary general meeting of shareholders, are necessary:
  - a) In first call, the presence of the shareholders (inclusive of the correspondence votes) representing at least half (1/2) of the total number of voting rights;
  - b) In second call, the presence of the shareholders representing at least one third (1/3) of the total number of voting rights;
  - c) The decisions are made with the majority of the votes held by the present or represented shareholders, both in first call and second call;
  - a) The decision to amend the company's core business, to reduce the share capital, augment in cash the share capital, change the legal form, merge, divide or dissolve the company are being made by a



majority of at least two thirds (2/3) of the voting rights held by the present or represented shareholders.

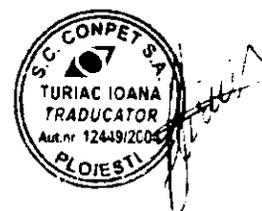
- (3) By way of derogation from the above provisions, the following decisions of the extraordinary general meeting of shareholders shall be made by the vote of the shareholders representing at least three quarters (3/4) out of the share capital of the company, in first call or any other subsequent call, as follows:
  - a) The decisions regarding the bond issue;
  - b) Waiving the right of first refusal of the shareholders upon the subscription of new shares in case of the share capital augmentation in cash;
  - c) The share capital augmentation in kind.
- (4) The general meeting of shareholders is opened and presided by the chairman of the board of administration or in absence thereof, by the person substituting him. The general meeting shall elect, from the shareholders present, up to three secretaries that will check the attendance lists for the shareholders, pointing out the share capital every person represents, the protocol prepared by the internal auditor and the technical secretariat of the meeting to ascertain the fulfilment of all formalities required by law and the Articles of Incorporation for holding the session.
- (5) A protocol, signed by the President and the Secretary, is to ascertain the fulfilment of the summoning formalities, the date and venue of the general meeting, the present shareholders, the number of shares, the summaries of the argumentation, the decisions made, and upon the request of the shareholders, the statements they took during the meeting. The protocol will be attached the documents regarding the first call as well as the shareholders' attendance lists.

The protocol shall be consigned in the registry of the general meeting, which is sealed and stamped.

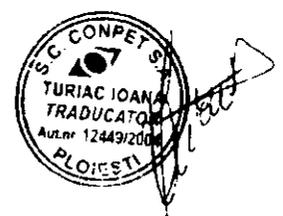
- (6) The Chairman of the Board of Administration may nominate, out of the company employees, one or more technical secretaries, to take part to the execution of the above mentioned operations and also to the drafting and signing of the minutes of the meeting.
- (7) At the ordinary and extraordinary general meetings of shareholders, where are being discussed issues regarding the work relations with the company personnel, shall also be invited the President of the Union.

#### **Art. 18 Exercising the Right to Vote during the General Meeting of Shareholders**

- (1) The decisions of the general meetings are taken in open vote.
- (2) At the proposal of the person presiding the general meeting, or of a group of present or represented shareholders, holding at least (1/3) of the total number of votes, could be decided that the vote be secret in other cases as well, other than those stipulated by law.
- (3) The secret vote is compulsory for the election of the members of the board of administration and financial auditor, for the revocation thereof and for making the decisions regarding the responsibility of the members of the company administration, management and control bodies.
- (4) The voting right cannot be transferred. Any provision otherwise specified is null.
- (5) Every shareholder registered at the reference date of the meeting, has the right to nominate any other natural or legal person to act as representative during the meeting. The shareholders may take part and vote in the general meeting by representation, based on a special power of attorney valid for the said general meeting, under the conditions and in compliance with the procedure stipulated by law. The shareholders may also vote by correspondence, as well as by electronic means, in compliance with the applicable provisions.



- (6) The shareholders lacking exercise capacity, as well as the shareholders legal persons may be represented by their legal representatives who, in their turn, may empower other persons for that general meeting.
- (7) In case of the vote by representation, the powers of attorney shall be submitted, in original, 24 hours prior to the meeting, under the sanction of losing the right to exercise one's voting right during that meeting. The powers of attorney can also be submitted electronically, with the electronic signature included/attached. The Protocol shall include a mention regarding the received powers of attorney.
- (8) The members of the board of administration, the General Director or the company employees can not represent the shareholders, under the sanction of nullity of the decision if, in absence of the vote thereof, would not have been obtained the requested majority.
- (9) The General Director and the members of the administration board are bound to take part to the general meetings of shareholders.
- (10) In order to be opposable to third parties, the decisions of the general meetings shall be submitted in 15 days to the Trade Register Office in order to be recorded in the log-book and published in the Official Gazette of Romania, Part. IV.
- (11) Following every amendment of the Articles of Incorporation, the administrators shall file, at the Trade Registry, in no more than 15 days, the amendment and the full text of the Articles of Incorporation, updated with all amendments, which will be recorded pursuant to the decision of the delegated judge.
- (12) The decisions made by the general meetings of shareholders within the Law and this Articles of Incorporation are binding even for the shareholders that did not attend the meeting or voted against.
- (13) The decisions of the general meeting of shareholders which are not compliant with the law or the Articles of Incorporation may be filed to Court, under the conditions and in compliance with the procedure stipulated by Law.
- (14) The shareholders that did not vote in favour of a decision of the general meeting regarding the amendment of the core business, the merger or division of the company, the relocation of the company headquarters overseas or changing the company form, have the right to withdraw from the company under the law.
- (15) The members of the board of administration cannot challenge the decision of the general meeting regarding the revocation thereof from the respective positions.
- (16) The petition will be dealt with in contradiction with the company represented by the board of administration.
- (17) If the decision is challenged by all members of the board of administration, the company will be represented in justice by a person appointed by the President of the Court from among its shareholders, a person that is to fulfil the mandate vested in him, until the general meeting, called for this purpose, nominates a representative.
- (18) The decisions of the ordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of expressed votes.

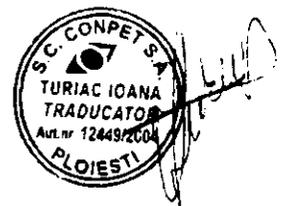


- (19) The decisions of the extraordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of votes held by the presented or represented shareholders.

## **CHAPTER V ABOUT THE COMPANY ADMINISTRATION**

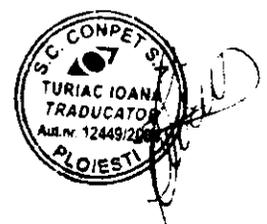
### **Art. 19 Organization**

- (1) The company is administered by a board of administration made of 7 administrators, elected by the ordinary general meeting of shareholders for a period of 4 years, with possibility to be re-elected for new periods of 4 years. The administrators may be acting as shareholders. So that the nomination of an administrator be legally valid, the person nominated must expressly accept it.
- (2) The surname, forename, place and date of birth, domicile and citizenship of the administrators are included in Annex 1 to this Articles of Incorporation.
- (3) The board of administration is presided by a Chairman. The Chairman is elected by the Board of Administration, from among its members. The revocation from the capacity of Chairman of the Board of Administration is still the attribute of the Board of Administration. The decision regarding the nomination or revocation thereof is being made by the vote of the majority of the Board of Administration members.
- (4) In case of vacancy of one or several administrator positions, the Board of Administration proceeds to the nomination of some provisional administrators, up to the reunion of the ordinary general meeting of shareholders.
- (5) At the Board of Administration level is being constituted the Audit Committee and the Nomination and Remuneration Committee, binding, as per the legal provisions in force. The Board of Administration may also constitute, based on decision, other consultative committees, in various activity areas, as per the needs and management strategy of the company. The Consultative Committees are made of at least two members, one of them being charged with the Presidency thereof. The consultative committees meet whenever necessary, at the Chairman's call, and the proposals/recommendations formulated by the Board of Administration (for the substantiation of the decision-making thereof) are being adopted by the majority of expressed votes. The duties and responsibilities of the consultative committees are being set by the Board of Administration.
- (6) Cannot be administrators the persons who, as per the law, are incapable or have been convicted for fraudulent management, breach of trust, forgery, use of forgery, fraud, speculation, false testimony, bribery, for the delinquencies provided by the Law no. 656/2002 for the prevention and penalization of money laundering, as well as for the settlement of several prevention and refutation measures related to the terrorist acts, subsequent amendments and completions, for the delinquencies provided at art. 143 - 145 from the Law no.85/2014 regarding the insolvency prevention and insolvency procedures.
- (7) The Chairman of the Board of Administration of the company may not also be General Director thereof.
- (8) The Board of Administration usually meets at the company headquarters, any other company work site or at any other place communicated by way of call. May be organized operational meetings of the Board of Administration by means of remote communication that meet the technical conditions necessary to identify the participants, the effective participation thereof to the Board of Administration meetings and forwarding of the deliberations on ongoing basis (via e-mail, telephone, video-call or any other communication equipment), whenever necessary, but at least once at 3 months, at the Chairman's call or at the substantiated request of 2 of the members of the Board or of the General Director. The Board is being presided by the Chairman. In case the Chairman is temporarily incapable of exercising his duties, all



along that period, the Board of Administration can charge another administrator with the fulfillment of the Chairman capacity. The Board is also convened, at the substantiated request of at least two administrators or the General Director. In this case, the Agenda is being set by the authors of the request. The Chairman is bound to respond to such a request.

- (9) The Board of Administration cannot decide upon certain issues that are not included in the Agenda, except for the emergencies. In order to decide upon the emergencies, the absent members will also be consulted, by various remote communication devices.
- (10) The Chairman will decide on the emergency nature of the said issues.
- (11) The Board of Administration performs its activity based on its own regulation and the legal regulations in force.
- (12) For the validity of the decisions is necessary the presence (directly or by representation) of at least five members of the Board and the decisions are made with the majority vote of the present members. The Chairman of the Board of Administration will have the casting vote in case of parity of votes.
- (13) The Members of the Board of Administration can be represented at the meetings of the respective body exclusively by other members thereof. A present member can only represent a single absent member.
- (14) In case of decisions made during the meetings where a member of the board did not participate, the latter remains liable, if, within 30 days of acknowledgment thereof he did not challenge it in the forms provided by the law.
- (15) The Agenda is set by the Chairman. The call, the meeting Agenda and documentation shall be submitted to the administrators in due time prior to the meeting, the deadline is to be set by way of the own regulation of the Board of Administration. The minutes of the meeting shall be comprised in a Journal of the Meetings and BoA Deliberations, by courtesy of the Chairman of the Board. The Protocol shall comprise the name of the participants, the order of the deliberations, the decisions made, the number of votes cast and separate opinions. This will be signed by the Chairman of the Board of Administration and by the BoA Secretariate, and the one recorded in the Journal of the Meetings and BoA Deliberations shall be signed by the other administrators too. The BoA Secretariate is off the Board of Administration, the activity thereof being performed by the personnel within the BoA and GMS Secretariat Bureau.
- (16) In exceptional circumstances, motivated by the emergency of the situation and the company's interest, the decisions of the Board of Administration can be made by the unanimous written vote of the members, the reunion thereof not being necessary. This procedure cannot be followed in case of the decisions regarding the annual financial statements or authorized capital.
- (17) At the meetings will participate the Chairman and the members of the Board of Administration. As the case may be, when he considers necessary, for additional information, the Chairman of the Board of Administration may invite to the meetings executive directors, internal auditors, as well as other employees of the company or specialists on various domains of activity outside the company. The Union's President can be also invited, for debating professional, economic and social issues. In view of defending the professional, economic and social rights and interests of the members, the latter will receive from the company's management the necessary information for the negotiation of the collective labour agreement. The articles contained in the decision of the Board of Administration regarding the professional, economic and social issues will be communicated in writing to the Union's President within two working days as of the meeting date.
- (18) The Board of Administration shall delegate the management of „CONPET” S.A. to the General Director. The General Director of „CONPET” S.A. is acting as company representative in third party relations.



(19)The Board of Administration is charged with the fulfillment of all the papers necessary and useful for the achievement of the company's core business, except for those set apart by the law for the general meeting of shareholders.

(20)The Administrators are jointly liable against the company for:

- a) the reality of payments made by the associates;
- b) the real existence of the paid dividends;
- c) the existence of the registries required by the law and the proper holding thereof;
- d) the exact fulfillment of the general meetings decisions;
- e) the strict performance of the duties that the law and the Articles of Incorporation impose.

(21)The administrators' liability is being regulated by the legal provisions regarding the mandate as well as by the special provisions stipulated by the Companies Law no. 31/1990.

(22)The administrators and their immediate successors are jointly liable if, being aware of the irregularities committed, fail to inform the internal auditors and the financial auditors in relation thereof.

(23)The liability for the deeds or the omissions performed does not extend over the administrators who have caused to consign, in the BoA Protocols Journal, their objection and have informed in writing the internal auditor and the financial auditor thereupon;

(24)If the administrators ascertain that, following various losses, the net asset, determined as a difference between the company's total assets and liabilities, represents less than half of the value of the share capital, they convene the extraordinary general meeting of shareholders, in order to decide upon the replenishment of the share capital, the decrease thereof to the remaining value or the company dissolution.

(25)The members of the Board of Administration may be revoked by the decision of the general meeting of shareholders and the General Director based on the Board of Administration Decision.

(26)The Board of Administration members shall conclude professional liability insurance, the exchange value thereof being borne by „CONPET” S.A., under the Law.

(27)The administrators would not disclose the data and information they have access to, related to the company and the activity thereof. This liability is being accounted for also after the termination of the mandate, for a period of 5 years. Moreover, they must also comply with the information regime of the inside information stipulated in Law no. 297/2004 regarding the capital market and the incidental regulations.

#### **Article 20 Powers of the Board of Administration**

(1) The Board of Administration's powers are being set pursuant to the Articles of Incorporation of the company, the Romanian law, as well as pursuant to other attributions set by the general meetings of shareholders as falling under the responsibility thereof, respectively, in particular, the followings:

- (a) Calls the general meetings of the company and sets the agenda, while endorsing the meeting documentation;
- (b) Prepares the annual report that is to be presented to the general meeting of shareholders, together with the annual financial statements and the report of the financial auditor, as well as other reports imposed by the applicable legislation, by way of observing the reporting requests set pursuant to CNVM/ASF regulations regarding the capital market and other incidental regulations;
- (c) Concludes legal deeds in the name and on behalf of the company, based on which to acquire goods for the company or dispose, lease, change or enter a lien over the goods to be found in the Company's Assets, where the value thereof exceeds half the book value of the company assets at the conclusion of the juristic act, exclusively by way of approval of the Extraordinary General Meeting of Shareholders.

