

SIF BANAT-CRISANA

Stamp, Reg. no. 1238/23.04.2018

TO:

**The Ministry of Energy
Mr. Anton Anton
Minister of Energy**

TO:

**The Ministry of Energy
Director General Mihai Liviu Mihalache
Directorate General for Privatization and Administration of State's Assets in Energy**

**The company CONPET S.A.
Mrs. Manuela Stan Olteanu
Chairman of the Board of Administration**

TO THE ATTENTION OF THE BOARD OF ADMINISTRATION
Mrs. Stan-Olteanu Manuela-Petronela - Chairman of the Board of Administration

Referring to: SUPPLEMENTATION OF THE AGENDA OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS CONVENED FOR THE DATE OF 17.05.2018

The investment company SIF BANAT-CRISANA S.A., headquartered in Arad, no. 35A, Victoriei Highway, registered at the Trade Register office attached to Arad Court of Law under no. J02/1898/1992, tax identification number 27611040, fiscal attribute R, ASF registration no. PFR07.1AFIAA/020007/09.03.2018, subscribed and paid-up share capital in amount of 52,000,000 RON, bank account (IBAN) RO77 BTRL 0020 1202 1700 56XX opened at Transilvania Bank - Arad Branch, tel. 0257 234 473, facsimile 0257 250 165, email sifbc@sif1.ro, legally represented by Bogdan - Alexandru Dragoi, Chairman - Director General,

Acting as shareholder of the company CONPET S.A., **holding 562,740 shares representing 6.5%** of the share capital,

Pursuant to Art. 117¹ para. (1) of Law no. 31/1990, of Art. 92 para (3) of Law no. 24/2017 on issuers of financial instruments and market operations and of Art. 7 para. (1) of CNVM Regulation no. 6/2009, according to which one or more shareholders representing individually or collectively, at least 5% of the share capital of the company, may request the Board of Administration of the company the introduction of additional items on the Agenda of the GMS,

Formulates the following:

**REQUEST
FOR SUPPLEMENTATION OF THE AGENDA OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS
OF THE COMPANY CONPET S.A. CONVENED FOR THE DATE OF 17.05.2018**

Based on which we hereby request the introduction of 6 additional new items on the Agenda of the Ordinary General Meeting convened for the date of 17.05.2018:

“1. Revocation of the members of the Board of Administration.

- 2. Election of a new Board of Administration formed of 7 members, by the application of the cumulative voting method and settlement of the duration of mandate of the elected administrators to 4 months or until the completion of the selection procedure stipulated in the EGO no. 109/2011 regarding the corporate governance of the public enterprises, approved with amendments and completions by Law no.111/2016, if this takes place prior to the date of expiry of the mandate of the administrator;***
- 3. Approval of the form and content of the contract of mandate of the administrators elected by the cumulative voting method and approval of the appointment of the representative of the Ministry of Energy in the Ordinary General Meeting of Shareholders to sign the contracts of mandate of the administrators elected by the cumulative voting method.***
- 4. Settlement of the monthly fixed gross allowance of the elected administrators.***
- 5. Empowerment of the Chairman of the Board of Administration to update and sign Annex. No. 1 to the Articles of Incorporation of the company in what regards the constituency of the Board of Administration.***
- 6. Empowerment of the Director General to perform the necessary diligence in order to register the OGMS Resolution and the updated Articles of Incorporation to the Trade Register Office attached to Prahova Law Court, publish it in the Official Gazette of Romania, Part IV, as well as to be granted the right to delegate, to another person, the proxy to perform the above-mentioned diligence.”***

1. Substantiation of the introduction of new items on the Agenda of the Ordinary General Meeting:

- 1. Substantiation for the first item proposed: - Revocation of the member of the Board of Administration***

SIF Banat Crisana S.A., holding 6.5% share in the share capital of the issuer CONPET S.A., an outstanding and strategic holding for SIF Banat Crisana S.A., wishes an active involvement in the company life.

SIF Banat Crisana S.A. intends to support the activity of the company CONPET S.A., here-included to involve in the company administration, offering the support, expertise and resources held, in view of improving the activity and for the sustainable development of the activity of the company CONPET S.A., targeting an increase in the value of the shares issued by the company, for the benefit of the company and the investors in COTE shares.

Where the mandate of the provisional administrators in capacity was extended by only two months, until 28.05.2018, pursuant to Resolution no. 13 of the Ordinary General Meeting of Shareholders dated 05.03.2018, we reckon the current situation requires the revocation of the administrators and appointment of a new Board of Administration by the Ordinary General Meeting of Shareholders already convened for 17.05.2018, so that it wouldn't be necessary the call of another general meeting with the same Agenda.

- 2. Substantiation of the second proposed item:** - *Election of a new Board of Administration formed of 7 members, by the application of the cumulative voting method and settlement of the duration of mandate of the elected administrators to 4 months or until the completion of the selection procedure stipulated in the EGO no. 109/2011 regarding the corporate governance of the public enterprises, approved with amendments and completions by Law no.111/2016, if this takes place prior to the date of expiry of the mandate of the administrator;*

This proposed item comes as a consequence of the proposal from the first item and is substantiated on the main reasoning.

Furthermore, in compliance with Article 84 of Law no. 24/2017 regarding the issuers of financial instruments and market operations: *(1) The members of the Board of Administration of the issuers whose shares are admitted for trading on a regulated market may be elected based on the cumulative voting method.*

Because the company CONPET S.A. observes the request of company admitted for trading on a regulated market, SIF Banat-Crisana S.A. appreciates that, for a better representation of the company's shareholding (here-included the minority shareholders holding significant shares) in the management structure of the company, is necessary and appropriate to elect the new members of the Board of Administration by the application of the cumulative voting method.

As a result of the election of a new Board of Administration by the application of the cumulative voting is also required to set the mandate duration of the new administrators, the duration proposed being 4 months, or until the completion of the selection procedure stipulated in the EGO no. 109/2011 regarding the corporate governance of the public enterprises, approved with amendments and completions by Law no.111/2016, if this takes place prior to the date of expiry of the mandate of the administrators.

The mandate of the new Board of Administration shall start as of May 18, 2018, the date of holding the OGMS meeting if, at the date of the first call, are not fulfilled the quorum/validity conditions stipulated by law and the Articles of Incorporation for the lay-down of the general meeting.

- 3. Substantiation for the third proposed item:** - *Approval of the form and content of the contract of mandate of the administrators elected by the cumulative voting method and approval of the appointment of the representative of the Ministry of Energy in the Ordinary General Meeting of Shareholders to sign the contracts of mandate of the administrators elected by the cumulative voting method.*

For the enforcement of the resolution advanced for approval at item 2 regarding the election of a new Board of Administration based on the cumulative voting method is necessary that the Ordinary General Meeting of Shareholders approve the form and content of the contract of mandate of the administrators elected by the cumulative voting method, as well as the appointment of the representative of the Ministry of Energy in the Ordinary General Meeting of Shareholders to sign the contracts of mandate of the newly elected administrators.

4. Substantiation for the fourth proposed item: - *Settlement of the monthly fixed gross allowance of the elected administrators.*

In compliance with the provisions of Art. 111 para. 2, letter c of Law no. 31/1990, besides the debate of other issues included in the Agenda, the ordinary general meeting is deemed to:

c) Fix the due remuneration for the current year of the members of the Board of Administration, respectively of the supervisory board members, of the censors, if it has not been set by the Articles of Incorporation;

The same provision is being stipulated in the Articles of Incorporation of the Company at Art. 15, para. 3 letter e).

Given the priority-mentioned legal and statutory provisions, is necessary for the Ordinary General Meeting of Shareholders to also set the monthly fixed gross allowance for the administrators elected based on the cumulative voting method.

5. Substantiation for the fifth proposed item: - *Empowerment of the Chairman of the Board of Administration to update and sign Annex. No. 1 to the Articles of Incorporation of the company in what regards the constituency of the Board of Administration.*

For the carry-on of the resolutions regarding the election of a new Board of Administration by the cumulative voting method, it's necessary that the Ordinary General Meeting of Shareholders approve the empowerment of the Chairman of the Board of Administration to update and sign Annex 1 to the Articles of incorporation of the Company regarding the constituency of the Board of Administration, in order to perform the legal advertising formalities.

6. Substantiation for the sixth proposed item: - *Empowerment of the Director General to perform the necessary diligence in order to register the OGMS Resolution and the updated Articles of Incorporation to the Trade Register Office attached to Prahova Law Court, publish it in the Official Gazette of Romania, Part IV, as well as to be granted the right to delegate, to another person, the proxy to perform the above-mentioned diligence.*

In order to enforce the resolutions approved by the Ordinary General Meeting of Shareholders, is necessary to approve the empowerment of the Director General to perform the necessary diligence in order to register the OGMS Resolution and the updated Articles of Incorporation to the Trade Register Office attached to Prahova Law Court, publish it in the Official Gazette of Romania, Part IV, as well as to be granted the right to delegate, to another person, the proxy to perform the above-mentioned diligence.

Kind regards,

President - Director General

Bogdan-Alexandru Dragoi, S.s. Illegible, Stamp