

CONTRACT OF MANDATE

Concluded today

I. Preamble

Considering:

- The Government Decision no.1213/1990 on the set-up of the trade companies in the industry, by the take-over of the entire assets and liabilities of ITTC Ploiești;
- The provisions of EGO no.109/2011 on corporate governance of public enterprises, approved with amendments and completions, by Law no. 111/2016 (“EGO no.109/2011”);
- The provisions of Law no.31/1990 on trade companies, republished, further amendments and completions (“Law no.31/1990”);
- The provisions of Law no.297/2004 on the capital market, further amendments and completions (“Law no.297/2004”);
- The provisions of Law no. 24/2017 regarding the issuers of financial instruments and market operations; (“Law no. 24/2017”);
- The Government Decision no.722/2016 for the approval of the Methodological Norms for the enforcement of certain provisions of EGO no. 109/2011 on the corporate governance of state-owned enterprises (“GD no.722/2016”);
- The updated Articles of Incorporation of the Company CONPET S.A. Ploiesti;
- The provisions of art. 1913 - 1919, art.1924, as well as art.2009 et seq. of the Civil Code;
- The decision of the Ordinary General Meeting of Shareholders no.5 dated 22.08.2018 for approval of the contract between the company and the company’s administrators;

and the fact that:

- by Decision no. of the OGMS of CONPET SA nominated Mr. as member of the Board of Administrators and he expressly accepted the nomination and will perform, along with the other members of the Board of Administrators, the powers provided by Law no. 31/1990, the Articles of Incorporation (“Articles of Association”), EGO no. 109/2011, Law no. 297/2004 and Law no. 24/2017;
- Law no.31/1990 and EGO no.109/2011 require the members of the Board of Administration that, along the duration of their mandate, be not in a legal employment relationship with the company;
- Is necessary to be established the rights and obligations of the signatory parties, in the context of a civil law legal relationship associated to the exercising of the capacity of member of the Board of Administration,

the parties agree to conclude this contract of mandate, following the agreement expressed by the signatory parties.

II. Contracting Parties

Art. 1. The company CONPET - S.A., trade company administered in a unitary system, headquartered in Ploiesti, No.1-3, Anul 1848 Street,, Prahova county, registered at the Trade Register Office attached to Prahova Court with no. J29/6/1991, TIN - RO 1350020, represented by.....in the quality of **principal** (“the Company”),

and

Mr., Romanian citizen, born at, in
....., County, domiciled in....., Street
....., identified with identity card series....., no....., personal identification
number, as administrator or **agent** (“Administrator/Agent”).

III. Definitions

Art. 2. In this Contract of Mandate the terms below shall bear the following meanings:

- a. **Articles of Incorporation** - the Articles of Incorporation of the Company CONPET SA (hereinafter called *Company*), approved by the Company’s General Meeting of Shareholders, as it is in force at the date of this Administration Contract or as it will be amended/completed/redrafted, by decision of the General Meeting (Extraordinary) of *the Company’s* Shareholders;
- b. **Applicable legal framework** - the set of Romanian legal norms included in EGO no.109/2011, the Law of the companies no.31/1990, Law no. 297/2004, Law no. 24/2017, the Civil Code, the Fiscal Code, as well as in any other normative acts applicable in this Contract of Mandate applicable to the parties;
- c. **Conflict of interests** - any situations or circumstances determined/determinable under the applicable legal framework, the *Company’s* Regulation of organization and functioning (“ROF”) and the Board of Administration Regulation of organization and functioning (“ROF BoA”) where the personal interest, either directly or indirectly, is contrary to the Company’s interest so that it affect or might affect its independence and impartiality in taking business decisions or carrying out in due time and objectively the tasks assigned in order to fulfill his mandate for the *Company*;
- d. **Inside information** - information of a precise nature which has not been made public, relating, directly or indirectly to one or more issuers or to one or more financial instruments and which, if it were made public, could have a significant impact on the price of those financial instruments or on the price of derivative financial instruments linked therewith;
- e. **Confidential information** - that is and include any information on the economic activity of the Company that are not public, according to the (i) law, (ii) the decisions of the General Meeting of Shareholders, (iii) the decisions of the Board of Administration and (iv) the internal regulations of the Company.

Confidential information refers mainly, but not limited, to:

- contract terms and any information on business partners, customers, investors or suppliers of the company and the conditions under which the Company carries out economic activities with each of them;
 - software, algorithms, procedures or techniques used by the Company;
 - information on the future plans of the Company, including, without limitation, plans for expansion in geographic areas, market segments or services;
 - marketing strategies developed, investigated, acquired (from a third party or otherwise), or used by the Company;
 - any other information acquired by the Administrator in the course of his mandate, which could reasonably be appreciated as reflecting the Company's vulnerabilities.
- f. **Impossibility of fulfilling the mandate/legal impediment** – (i) any circumstance that creates an unavailability of more than or equal to 90 consecutive calendar days, not providing the Administrator the possibility to perform his duties, personally or by proxy, except for the cases provided by the law (ii), provisional detention, (iii) execution of a sentence involving deprivation of liberty, (iv) annulment of the general meeting of shareholders (ordinary) of the Company’s shareholders for appointing the Administrator;
 - g. **Remuneration** due to the Administrator - consists of a monthly gross fixed allowance and a variable component established on financial and non-financial negotiated performance indicators and approved by decision of the general meeting of shareholders, by observing the provisions of Art.153¹⁸ of Law no.31/1990 of the companies and Art.37 of EGO no.109/2011;
 - h. **Force majeure** - stands for any external event, unpredictable, absolutely invincible and inevitable, which could not be foreseen at the moment of conclusion of this Contract of Mandate and that makes impossible the execution and, respectively, the fulfillment of the Contract of Mandate; such events

are the followings: wars, revolutions, fires, floods or any other natural disasters, restrictions occurred following quarantines, embargo, the enumeration not being exhaustive but declarative. Is not being considered force majeure an event similar to the ones mentioned above, which, without providing the impossibility for execution, makes extremely costly the execution of one party's obligations.

- i. **Business decision** - stands for any decision to adopt or not certain measures regarding the *Company* administration;
- j. **Fortuitous Event** - represents an event which could not be foreseen by the administrator, nor impeded from happening by the latter; are deemed similar to the fortuitous event the amendment of the legal, regulation framework and of the fiscal code in Romania existing when signing this Contract;
- k. **Financial and non-financial performance indicators** - performance indicators approved by the general meeting of shareholders, different from the ones approved for the executive administrators.
- l. **Legal Framework** - includes all the laws, regulations, decrees and any other applicable regulatory acts, issued by the national, international, regional, local public authorities or by other governmental authorities, here-included those applicable, given that the Company is listed at the Bucharest Stock Exchange.

IV. Scope of the Contract

Art. 3. By this Contract, the Administrator is empowered to adopt, together with the other directors, all the measures needed to manage the *Company*, in accordance with the applicable legal framework in force and the Articles of Incorporation of the Company and of this Contract of Mandate, within the line of business of the *Company* and in compliance with exclusive powers reserved by Law no. 31/1990, EGO no. 109/2011, Law no. 297/2004, Law no. 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 Contract of Mandate, the Administrator will perform all documents necessary for the administration of the Company's goods in its interests, for the achievement of the core business and will exercise the attributions set for him by the Articles of incorporation and this Contract of Mandate.

Art. 5. The place where the Administrator shall fulfill the mandate is the registered office of the Company, mentioned in art. 1 of this Contract or the place where he operates as representative of the *Company*. The place of fulfilling the Mandate can be changed by the *Company and can be settled either at the headquarters of the Company's branches, or in another location established by the Company*. The decision related to the change of the place where the mandate shall be fulfilled will be communicated by the *Company*.

V. DURATION OF THE CONTRACT OF MANDATE

Art. 6. The Contract of Mandate shall be concluded for the period starting from, until 21.08.2022 (along the remaining duration of the others administrator's mandate) and may be renewed by decision of the GMS, only after the evaluation of the Administrator's activities and under the conditions of fulfilling, in an appropriate manner, the duties/obligations assumed hereunder. This contract is valid provided that the administrator accepts the nomination.

VI. OBLIGATIONS OF THE ADMINISTRATOR

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

7.1. to acquire, respect and fulfill the administration plan approved by the Board of Administrators, which includes the administration component and the management component developed by the

- other directors with contract of mandate in order to achieve financial and non-financial performance indicators approved by the OGMS, together with the other administrators;
- 7.2.** to acquire and achieve financial and non-financial performance indicators grounded on the administration plan and the letter of expectations and approved by the OGMS;
- 7.3.** to determine the main lines of activity and approve the development strategy of the *Company*;
- 7.4.** to constitute, without limitation, the advisory committees responsible for conducting investigations and making recommendations to the Board, as well as the nomination and remuneration committee and the audit committee, according to legal provisions in force;
- 7.5.** to set the accounting policies and the financial control system, as well as the approval of the financial planning, as the case may be;
- 7.6.** to approve the annual procurement program, approve/ endorse the minutes on the results of the *Company's* property inventory/public property of the state. (art 20 para. (1), letter o of the Articles of Incorporation);
- 7.7.** to approve proposals for overall strategy development, refurbishment, modernization, economic and financial restructuring (Article 20 para. (1), letter u) of the Articles of Incorporation);
- 7.8.** to approve the Collective Labor Agreement at company level (Article 20 para. (1) letter g) Articles of Incorporation);
- 7.9.** to conclude legal acts in the name and on behalf of the *Company* in order to acquire goods for the company or to dispose, lease, change or constitute under warranty goods in the *Company's* patrimony, whose value exceeds half of the accounting value of the *Company's* assets at the conclusion of the legal act, only with the approval of the Extraordinary General Meeting of Shareholders (Article 20 para. (1), letter c of the Articles of Incorporation);
- 7.10.** to approve the organizational structure and the personnel structure related thereof, the internal rules of organization and functioning of the *Company* (Article 20, para. (1) letter h) of the Articles of Incorporation);
- 7.11.** to delegate the management of the *Company* to one or more directors, appointing one of them Director General, select, appoint and dismiss directors and the director general and to set their remuneration on the recommendation of the Nomination and Remuneration Committee;
- 7.12.** to assess, on a quarterly basis, the activity of the directors with contract of mandate, both in terms of mandate contract performance, as well as in terms of compliance with and implementation of the management component included in the Administration plan;
- 7.13.** to approve the Rules of organization and functioning of the Board of Administration;
- 7.14.** to establish the tasks delegated in the competence of the executive management of the *Company*, respectively the Director General and other directors appointed on mandate to carry out operations of the *Company*;
- 7.15.** to approve the conclusion of any contracts for which he has not empowered the Director General and the other directors within the limits provided by the Articles of Incorporation;
- 7.16.** to issue an annual report on the business of the *Company* in compliance with art. 56 of EGO no. 109/2011;
- 7.17.** to summon/or, as the case may be, to approve the convening of the General Meeting of Shareholders, to participate in the meetings of the General Meeting of Shareholders and to implement/to bring into effect the decisions of the General Meeting of Shareholders, to inform the shareholders regarding any action or event that might have a significant impact upon the situation of the *Company*;
- 7.18.** to present, annually, to the General Meeting of Shareholders of the *Company*, within the period prescribed by the legislation in the field, the report on the business of the *Company*, the annual financial statements, including balance sheet and profit and loss account, to make recommendations on the allocation of profit and endorse the draft of the Revenues and Expenditure Budget of the *Company*;
- 7.19.** to approve, within 90 days of the appointment of directors/director general the management component of the administration plan developed by them/him;
- 7.20.** to settle the current bank borrowing level, of the short-term and medium-term trade credits and to approve the issuance/establishment of guarantees, according to the Articles of Incorporation;

- 7.21.** to introduce, where appropriate, the request to open insolvency proceedings of the *Company*, according to the law;
- 7.22.** to propose to the General Meeting of Shareholders of the *Company* augmentation of the share capital if the measure is necessary to provide business operation, establishment/dissolution of new units/subunits, mergers, demergers and the establishment of legal entities, with or without legal personality, in association with other people in the country/abroad;
- 7.23.** to exercise the duties that had been delegated by the General Meeting of Shareholders of the *Company* according to Law. 31/1990 and any other functions provided by the legal framework or the Articles of Incorporation in his task;
- 7.24.** to present, on a quarterly basis, within the Ordinary General Meeting of Shareholders, a report on the administration activity including also information referring to the execution of the contracts of mandate of the directors, details regarding the operational activities, financial records of the *Company* and the quarterly financial reports thereof.
- 7.25.** to approve the level of professional liability insurance for the director general and the other directors appointed with mandate, if applicable, under the law;
- 7.26.** to adopt, within 90 days of the appointment of administrators, a Code of ethics, to be published, by the courtesy of the Chairman of the Board of Administration, on the website of the *Company* and shall be reviewed annually if necessary, with the approval of the internal auditor, being republished;
- 7.27.** to assign the time, knowledge and effort necessary to perform the tasks specific to the position of non-executive member of the Board of Administrators of the *Company*;
- 7.28.** to attend the meetings of the Board of Administration and analyze/review the documents and information required to contribute actively to the discussions of the board and participate actively in the annual evaluation exercise of the Board of Administration;
- 7.29.** to treat all shareholders equally and not take any special obligations to a shareholder or another about the *Company's* business;
- 7.30.** to comply with the laws and regulations of the capital market on the status of inside information.

Art. 8. The administrator is, also, bound to:

- 8.1.** not be related to the *Company* by an employment contract;
- 8.2.** adopt all necessary measures to protect the *Company's* assets;
- 8.3.** not conclude legal agreements with the *Company*, but on terms established by law;
- 8.4.** ensure that the financial information produced by the *Company* is accurate and that financial control systems and of risk management are effective.

Art.9. The Administrator undertakes, together with the other administrators, to carry out the administration plan and the decisions of the GMS.

Art.10. The Administrator, together with the other administrators shall convene the General Meeting of Shareholders to approve any transaction, whether it occurs, individually or in a series of transactions, to have a value higher than 10% of the net asset value of the *Company* or higher than 10% of the turnover of the *Company* according to the latest audited financial statements, with the administrators or directors, employees, shareholders who own the company or with a company controlled by them, as well as spouses, relatives or in-laws up the fourth degree inclusive of the persons mentioned.

Art.11. The Administrator, along with the other administrators, shall inform the shareholders within the first General Meeting of Shareholders following the completion of the legal act, of any transactions concluded by the *Company* with:

- a) the persons referred to in art. 10, if the value of the transaction is below 10% of the net assets of the *Company* or higher than 10% of the turnover of the *Company* according to the latest audited financial statements;

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

Art.12. The Administrator, along with the other administrators, is obliged to submit the general meeting of shareholders in the half yearly and annual reports, in a separate chapter, the legal documents concluded under Art. 10 and Art. 11 stating the following: the parties that concluded the legal document, the closing date and nature of the act, description of the subject matter, the total value of the legal act, mutual claims, securities, terms and payment methods and any other essential information and material related to the respective legal acts, as well as any information necessary to determine the effects of those legal documents on the financial situation of the *Company*.

VII. Rights of the Administrator

Art.13. “The Administrator benefits from a monthly fixed gross allowance for the execution of the entrusted mandate in amount of 13,022 RON, equal with two times the average over the last 12 months of the monthly gross average earnings for the activity performed according to the core business registered by the *Company* (NACE Code 49), at the level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, according to the OGMS Resolution no. 5/22.08.2018, respectively the same amount approved by the OGMS for the other administrators.

Art.14. The payment of the remuneration is made once a month, namely on the 26th of the current month, regardless of the number of meetings per month for which the payment is made.

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

The variable component is determined and awarded according to the fulfillment of the objectives included in the administration plan and to the financial and non-financial performance indicators approved by the General Meeting of Shareholders Resolution no. 7/18.12.2018.

a) the financial and non-financial performance indicators for the administrators of the Company

15.1. The financial and non-financial performance indicators (KPIs) for the Company Administrators approved pursuant to the OGMS Resolution no. 7/18.12.2018, calculated in correlation with the amended Revenues and Expenditure Budget for 2018 and the Administration plan for the period 2018 - 2022 are provided in **Annex 1** to this Contract - **Financial and non-financial key performance indicators of the administrators** and will be the basis of the settlement and award of the variable component of the remuneration of the administrators all along the performance of the contract of mandate.

15.2. The performance indicators, the targets and degree of achievement thereof may be amended under the law and by the observance of the procedures provided for the approval thereof.

b) The variable component of the administrators' remuneration

15.3. The administrator benefits from a variable component of the remuneration in amount of 12 monthly fixed gross allowances, awarded under the law, respectively by the observance of the Revenues and Expenditure Budget approved in compliance with the applicable legal provisions in force and by the observance of the methodology established at Art. 15.5. to this Contract of Mandate.