

**CURRENT REPORT**

**In compliance with Law no. 24/2017 regarding Issuers of Financial Instruments and Market Operations and A.S.F. Regulation no. 5/2018**

Report date: **October 8, 2020**

Company name: **Societatea Nationala de Gaze Naturale ROMGAZ S.A.**

Address: **Mediaș, 4 Constantin I. Motas Square, Sibiu County – Romania, 551130**

Phone/fax no: **004-0374-401020 / 004-0269-846901**

Fiscal Code: **RO14056826**

LEI Code: **2549009R7KJ38D9RW354**

Trade Register registration number: **J32/392/2001**

Subscribed and paid in share capital: **385,422,400 RON**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)**

***Significant event to be reported:***

- **Request from the Ministry of Economy, Energy and Business Environment, on behalf of the Romanian State, as the major shareholder of S.N.G.N. Romgaz S.A., for supplementing the Agenda of the Ordinary General Meeting of Shareholders on October 23 (26), 2020**

According with the provisions of A.S.F. Regulation no. 5/2018 art. 234, paragraph 1 letter b), S.N.G.N. ROMGAZ S.A. informs the market about the request received on October 8, 2020 from the Romanian State as shareholder of S.N.G.N. ROMGAZ S.A. (owning 70.0071% of the share capital), represented by the Ministry of Economy, Energy and Business Environment, to supplement the Agenda of the Ordinary General Meeting of Shareholders convened on October 23 (26), 2020.

Following the above mentioned request, S.N.G.N. Romgaz S.A. Board of Directors will adjourn in the immediate period, in order to analyze and decide upon the request.

***Annexed: The request of the Ministry of Economy, Energy and Business Environment, on behalf of the Romanian State, registered on no. 31512/October 8, 2020.***

**Chief Executive Officer,  
Constantin Adrian VOLINTIRU**

**Deputy Chief Executive Officer,  
Daniel Corneliu PENA**

Translation from the Romanian language

Ministry of Energy

To: SNGN Romgaz S.A. Board of Directors

In attn. of: Mrs. Stan-Olteanu Manuela-Petronela, Chairman of the Board

Regrading: SNGN ROMGAZ S.A Ordinary General Meeting of Shareholders of 23 (26), October 2020

The Ministry of Energy, on behalf of the Romanian State as shareholder holding a number of 269,823,080 shares representing 70.0071% of the share capital of Societatea Nationala de Gaze Naturale "Romgaz" S.A. (SNGN Romgaz S.A.), having in view the convening of the Ordinary General Meeting Shareholders of 23 (26), October 2020, based on the provisions of Article 117<sup>1</sup>, paragraph (1) and (2) of Company Law 31/1990 Art. 119, as amended from time to time and on GEO 109/2011 on corporate governance of public enterprises, approved by Law 111/2016, as subsequently amended and Law 24/2017 on issuers of financial instruments and market operations, requests introducing the following issues on the meeting's agenda:

- 1) ***Election of SNGN Romgaz S.A. Board of Directors members by means of the cumulative voting method.***
- 2) ***Establishing the mandate term of the Board of Directors members elected by means of voting.***
- 3) ***Establishing the fixed gross monthly indemnity of the nonexecutive members of the Board of Directors.***
- 4) ***Approval of the mandate contract draft to be concluded with the members of the Board of Directors.***
- 5) ***Mandating a person to sign on behalf of the shareholders the mandate contract concluded with the members of the Board of Directors.***

We also propose the following Resolution draft:

- 1) ***The following Board of Directors members are elected by means of the cumulative voting method***
  - ***[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes***
  - ***[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes***
  - ***[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes***
  - ***[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes***

- [.....], Personal Identification Number [.....] - [.....] cumulative votes*
- *[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes*
  - *[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes*
  - *[...], [.....] citizen, born in [.....] on [.....], domiciled in [.....], identified by [.....] series [.....] no. [.....] issued by [.....] on [.....], Personal Identification Number [.....] - [.....] cumulative votes*
- 2) *The mandate term of the Board of Directors members is established as follows:*
- a) *4 (four) months, in accordance with the provisions of GEO109/2011 on corporate governance of public enterprises, Art. 64<sup>1</sup> as amended from time to time and approved by Law 111/2016, for interim directors appointed in accordance with item 1 above.*
  - b) *Equal with the remaining period of the mandate approved by OGMS Resolution no. 8 of July 6, 2018, article 2 for the Members of the Board reconfirmed in compliance with the provisions of GO No. 109/2011 on corporate governance of public enterprises, Article 32 par. (8), as amended from time to time and approved by Law 111/2016.*
- 3) *The fixed gross monthly indemnity of the nonexecutive members of the BoD, equal with the average over the past 12 months of the fixed gross monthly salary, for the activity performed according to the main activity object registered by the company at class level, according to the activity classification in the national economy, communicated by the National Statistics Institute prior to the appointment, in compliance with GO 109/2011, Art. 37;*
- 4) *The mandate contract draft to be concluded with the directors elected by means of the cumulative voting method is approved in the form proposed by the Romanian State shareholder, acting through the Ministry of Economy, Energy and Business Environment;*
- 5) *The representative of the Romanian State shareholder, acting through the Ministry of Economy, Energy and Business Environment, is mandated to sign the mandate contracts with the members of S.N.G.N. Romgaz S.A. Board of Directors.*

We also request the convening notice of S.N.G.N. ROMGAZ S.A. OGMS to include matters such as, but not limited to, specifications referring to the right of shareholders to propose candidates for the positions of S.N.G.N. ROMGAZ S.A. director, as follows:

- Shareholders wishing to formulate proposals for candidates shall include in their proposals information on name, place of residence and professional qualifications of the persons proposed for the respective position;

Translation from the Romanian language

- The closing date of proposals for candidates for the positions of S.N.G.N. ROMGAZ S.A. director shall be set in accordance with the provisions of Article 187, item 8 of the Rule No 5/2018 on issuers of financial instruments and market operations, issued by the Financial Supervisory Authority;
- The list of information on name, place of residence and professional qualifications of the persons proposed for a position of S.N.G.N. ROMGAZ S.A. director shall be made available to the shareholders as well as on the company's website;
- The final list with all the proposals for the positions of S.N.G.N. ROMGAZ S.A. director shall be published no later than 10 days before the date of the OGMS, as specified in the convening notice;
- When directors are elected by cumulative voting method, the directors in office by the date of the OGMS are rightfully included in the list of candidates for elections to the new Board of Directors;

We hereby attach the draft of the mandate contract proposed to be concluded with the elected directors by cumulative voting method.

Yours respectfully,

Virgil – Daniel POPESCU

Minister of Energy, Energy and Business Environment

## DIRECTOR AGREEMENT NO. \_\_\_\_\_

executed today \_\_\_\_\_

### **I. Preamble**

*Whereas:*

- Government Emergency Ordinance No. 109/2011 on public companies corporate governance („GEO No. 109/2011”), as amended and supplemented by Law No.111/2016;
- Law No. 31/1990, Company Law, republished, as amended and supplemented, („Law No. 31/1990”);
- Law no.24/2017 on issuers of financial instruments and market operations capital markets, as amended and supplemented (for the listed companies);
- Government Decision no.722/2016 on approving the Enforcement Guidelines of certain provisions of Government Emergency Ordinance no.109/2011 on corporate governance of public enterprises (“G.D. No.722/2016”);
- Government Decision No. .... on company’s establishment .....
- The updated Articles of Incorporation of the Company .....
- The provisions of art. 1913 - 1919, art. 1924 as well as art. 2009 and the following of the Civil Law;
- the Resolution of the Ordinary General Meeting of Shareholders of the company No. \_\_\_\_\_ of \_\_\_\_\_ for approving the agreement between the company and company’s directors.

*and whereas:*

- Resolution of the Ordinary General Meeting of Shareholders No. \_\_\_\_\_ of \_\_\_\_\_ appointing \_\_\_\_\_ as member of the Board of Directors, who has expressly accepted such appointment, and who will exercise, together with the other members of the Board of Directors its duties provided by Law 31/1990, by the Articles of Incorporation of the Company („The Articles of Incorporation”) and by GEO No. 109/2011;
- Law 31/1990, GEO No. 109/2011, as subsequently supplemented and amended require the Board members to be free of any legal labour relationship with the Company during their mandate;
- the rights and obligations of the signing parties have to be established within the framework of a civil law legal relationship, in connection with the performance of Board member position,

the parties hereby agree to conclude this Director Agreement, hereinafter called also Director Agreement („Director Agreement’), in accordance with the free will expressed by the signing parties.

### **II. Contracting Parties**

**Art. 1.....– S.A.**, a company managed in a one-tier system, having its headquarters at ....., registered with the Trade Register Office of .....under number ....., Unique Registration Code ....., represented by ..... acting as **principal** , („The Company”),

and

\_\_\_\_\_ Romanian citizen, born on ..... in .....,  
domiciled in ..... street ....., no....., identified with IC, series  
....., no....., personal identification number ....., acting as director or **agent**  
("Director/Agent")

### III. Definitions

**Art. 2.** In this Director Agreement, the terms listed below will have the following meaning:

- a. **Articles of Incorporation** – The Articles of Incorporation of.....*the Company*, approved by GMS of the *Company*, valid at the date of this Director Agreement or as further modified/supplemented/reworded by resolution of *Company's* (Extraordinary) GMS;
- b. **Applicable legal framework** – all Romanian legal provisions included in GEO no. 109/2011, as supplemented and amended, in Company Law No. 31/1990, the Civil Law, the Fiscal Law, as well as in other normative acts (egg. Laws, regulations, decrees and any other applicable regulations acts issued by national, international, regional, local public authorities or other government authorities) incident to this Mandate Contract, applicable to the parties;
- c. **Conflict of interests** – any defined/definable situation or circumstance relative to the applicable legal framework and to the *Company* Rules of Organisation and Operation (*Company* ROO), Board of Directors Rules of Organisation and Operation (BoD ROO) where the direct or indirect personal interest of the Director interferes with the *Company* interest, in a way that affects or could affect the independence or fairness of Director's business decisions or timely and objective fulfilment of his duties during the performance of his mandate for the *Company*;
- d. **Privileged information** – precise nature information that hasn't been made public regarding directly or indirectly one or more issuers or one or more financial instruments, and which, if it were made public could significantly impact the price of those financial instruments or the price of the derived financial instruments related to them;
- e. **Confidential information** – means and includes any information regarding the *Company's* economic activity that are not public according to (i) the law, (ii) General Shareholders Meeting resolutions, (iii) Board of Directors decisions and (iv) *Company's* internal regulations. Confidential information are related without limitation to:
  - Contract terms and any information regarding business partners clients, investors or suppliers of the *Company*, as well as the conditions that the *Company's* economic activity is based on in relation with each of these persons;
  - Computer programs, algorithms, procedures and techniques used by the *Company*;
  - Information regarding future plans of the *Company*, including and without limitation to, geographical areas, market segments or services expansion plans;
  - Marketing strategies developed, investigated, acquired (from a third party or otherwise), or used by the *Company*;
  - Any other information acquired by the Director during his mandate that might reasonably be considered that it reflects vulnerabilities related to the *Company*.
- f. **Inability to exercise the mandate/legal impediment** – (i) any circumstance which makes the Director unavailable for at least or more than 90 consecutive calendar days, and thus the inability to fulfil his/her duties, either personally or by representative, except for the cases provided by law, (ii) preventive custody, (iii) arrest of the director, (iv) cancelation of the *Company's* (O)GMS Resolution appointing the director;
- g. **Remuneration** due to Director – means the remuneration composed of a monthly fixed allowance and a variable component established based on some financial and non-financial

performance indicators negotiated and approved by GMS resolution, in compliance with Art. 153<sup>18</sup> of Company Law No. 31/1990 and Art. 37 of GEO No. 109/2011,

- h. **Force Majeure** – means any external event, unpredictable, invincible and inevitable, that could not have been foreseen upon conclusion of this Director Agreement and which makes the performance and the fulfilment of the Director Agreement impossible; such events are the following: wars, revolutions, fires, floods or any other natural disasters, restrictions further to a quarantine, embargo, such list being declarative and non-exclusive. It is not considered a force majeure event an event such as those presented above that does not make the performance impossible, even though it makes the fulfilment of one party's obligations extremely costly.
- i. **Business Decision** – means any decision for taking or not taking measures related to governing the *Company*;
- j. **Contingency** – means an unforeseeable event, which could neither have been prevented nor hindered by the director; contingencies are considered to be: modification of Romanian legal, regulatory or fiscal framework effective at the execution date of this Director Agreement;
- k. **Financial and non-financial performance indicators** – performance indicators negotiated and approved by the general meeting of shareholders, different from those approved for the executive directors, established by addendum to the Director Agreement.

#### ***IV. Scope of the Agreement***

**Art. 3.** The Director is authorized by this Director Agreement to adopt together with the other Directors all the measures required to govern the *Company*, according to the provisions of the applicable law in force, as well as of the *Company's* Articles of Incorporation and of this Director Agreement, within the *Company's* scope of activity and in compliance with the exclusive competencies provided by the applicable law as well as the applicable recommendations defined in the corporate governance guides and codes.

**Art. 4.** In order to fulfil the scope of this Director Agreement, the Director will perform all acts required to manage the *Company's* assets in the interest of the *Company*, in order to fulfil the business scope, and he/she will perform the duties established in this respect by the Articles of Incorporation and this Mandate Contract.

**Art. 5.** The performance location of this Mandate is the *Company's* headquarters, as mentioned in Article 1 of this Contract or where the board member acts as *Company* representative. The place for performing the Mandate can be modified by the *Company* and it may be either at the *Company's* branches headquarters or at another location set by the *Company*. The decision related to the modification of the mandate performance place is communicated by the *Company*.

#### ***V. The Term of Director Agreement***

**Art. 6.** The Director Agreement will be concluded for a 4 (four) months term, starting with \_\_\_\_\_ until \_\_\_\_\_ and it can be extended by GMS resolution.

#### ***VI. Director's Obligations***

**Art. 7.** Director will be bound to perform the following *main duties*, **together with the other members of the Board of Directors**:

7.1 to set the main business directions and to approve the *Company's* development strategy;

- 7.2 To establish, without limitation to this, the consultative committees responsible for carrying out investigations and preparing recommendations for the council, as well as the remuneration and nomination committee and the audit committee, according to the applicable law;
- 7.3 to establish accounting policies and financial control system and to approve the financial planning, as the case may be;
- 7.4 to assign the *Company's* management to one or more managers, appointing one of them as Chief Executive Officer, to select, appoint and revoke the managers and the Chief Executive Officer and to establish their remuneration subject to the recommendation made by the Nomination and Remuneration Committee;
- 7.5 to evaluate quarterly the activity of the director general with respect to the performance of the concluded mandate contract;
- 7.6 to approve the Board of Directors Rules of Organisation and Operation;
- 7.7 to establish the duties assigned to the *Company's* executive management, namely to the director general and to other managers appointed by mandate in order to perform *Company's* operations;
- 7.8 to approve conclusion of any contracts, within the scope of the Articles of Incorporation, for which the director general or the managers have no assigned competence;
- 7.9 to elaborate an annual report on the activity of the Company, in compliance with *Art. 56 of GEO No. 109/2011*;
- 7.10 to convene/or to approve, as the case may be, the convening of the general meeting of shareholders, to participate in these meetings and to implement the GMS resolutions, to notify all shareholders on all acts or events that could have a significant impact on *Company's* position;
- 7.11 to submit annually to the *Company's* general meeting of shareholders, within the term provided by the applicable law, the report on the *Company's* activity, the balance sheet, profit and loss account, to make recommendations on the profit distribution and to approve the *Company's* income and expenditure budget draft;
- 7.12 to establish the level of current bank loans, short and medium term commercial credits and approve the warranties release/submission, according to the Articles of Incorporation;
- 7.13 to file for insolvency of the *Company*, if appropriate, according to the law;
- 7.14 to propose the general meeting of shareholders the increase of the share capital when it is required for performing the activities, establishing/dissolving new units/subunits, mergers, unbundling, and incorporation of legal persons, with or without legal status, by association with other local/foreign persons;
- 7.15 to perform the duties delegated by the *Company's* GMS according to Law 31/1990, as well as any other duties provided by law or the Articles of Incorporation.
- 7.16 to submit a half year report in the General Meeting of Shareholders on the governing activity, which includes information on the performance of the manager's mandate contracts, details related to operational activities, company's financial performance and company's semi-annual accounting reports;
- 7.17 to approve the level of liability insurance of the Chief Executive Officer and the other managers appointed by mandate contract, if the case, according to the law;
- 7.18 to approve the investment strategy;
- 7.19 to adopt/review, if the case may be, within 90 days from appointment a code of ethics published by the chairman of the Board of Directors on the company's webpage, being reviewed annually, if appropriate, with the approval of the internal auditor, and being republished;
- 7.20 to dedicate the necessary time, knowledge and effort in order to fulfil the responsibilities related to the position of nonexecutive member of the Company's Board of Directors;
- 7.21 to take part in all of the Board of Directors meetings and to analyse/review the necessary documents/information in order to actively contribute to the board's discussions and actively take part in the annual evaluation exercise of the Board of Directors;

- 7.22 to treat all shareholders equally and to not undertake any special obligations in relationship with one or other shareholder related to Company's activity;
- 7.23 to avoid Conflict of Interest with the Company and to inform the Board of Directors as soon as such an event occurs and to hold back from taking part in the deliberations or decision making; the same obligation applies if the person interested is the wife/husband, relatives or in-laws up to the IV<sup>th</sup> degree, including those of the Director

**Art. 8.** The Director will also have following obligations:

- 8.1 he/she shall not be bound by a labour contract with the *Company*;
- 8.2 he/she shall adopt all measures to protect *Company's* assets;
- 8.3 he/she shall not conclude any legal documents with the *Company*, except those provided by law;
- 8.4 he/she shall make sure that the financial information issued by the *Company* is accurate and the financial control system and risk management system are effective;
- 8.5 he/she shall exercise his/her assignment faithfully, prudently and diligently, as a good Director, for the exclusive interest of the public *Company*;
- 8.6 he/she shall attend a professional training program for at least a week/year, during which he shall have training sessions on corporate governance, legal, as well as any other fields related with the company's activity, on the expense of the company;
- 8.7 he/she shall prepare rigorously the board's meetings, dedicating at least working days per month in this respect, participate in the board's meetings as well as in the special committees;
- 8.8 he/she shall take part in one or more of the advisory committees established at the board's level;
- 8.9 in case of appointment as chairman of the Board of Directors, the Director shall be responsible the attributions related to this position, established in the *Company's* Articles of Incorporation, the Board of Directors Rules of Organisation and Operation, as well as the applicable legal provisions;

**Art. 9.** The Director undertakes, together with the other Directors, to fulfil the governance plan and GMS resolutions.

**Art. 10.** The Director, together with the other Directors, shall convene the general meeting of shareholders to approve any individual transaction or series of transactions which exceed 10% of the net assets of the *Company* or exceeding 10% of the *Company's* revenue according to the latest audited financial statement, concluded with the directors or managers, the employees, shareholders having control of the *Company* or with a company controlled by the shareholders, as well as with the husband or spouse, relatives or in-laws up to the IV<sup>th</sup> degree inclusively of the mentioned persons.

**Art. 11.** The Director, together with the other Directors, shall inform the shareholders in the first general meeting of shareholders following the execution of the legal instrument, upon any transaction concluded by the *Company* with:

- a) persons provided under Article 10 if the amount of the transaction is below 10% of the amount of the net assets of the *Company* or less than 10% of the *Company's* turnover according to the latest audited financial statement;
- b) another company or with the public supervisory body, if the transaction is in amount, individually or in series of transactions, of at least the equivalent in RON of EUR 100,000.

**Art. 12.** The Director, together with the other Directors, shall submit half-year and annual reports to the General Meeting of Shareholders, which include in a special sub-chapter, the legal instruments concluded in accordance with Art. 11 and Art. 12 herein, providing the following elements: the parties to the legal instrument, the date of execution and the nature of the legal instrument, description of the scope, total value of the legal instrument, reciprocal debts, provided guarantees, terms and methods of

payment and any other essential and material information related to such instruments, as well as any information required for establishing the effects of such legal instruments on the financial status of the Company.

## **VII. Director's Rights**

**Art. 13.** The Director has the right to a monthly fixed allowance for performance of his/her assignments, in amount of RON \_\_\_\_\_, equal to twice the last 12 months average of the monthly gross earnings of the branch in which the company operates, at a salary range according to the national classification of economic activities, as communicated by the National Institute of Statistic prior to appointment, according to General Meeting of Shareholders Resolution No. \_\_\_\_\_ / \_\_\_\_\_

**Art. 14.** Remuneration will be paid once a month, namely on the \_\_\_\_\_ of the month following the month of payment, irrespective of the number of board meetings held during that month.

**Art. 15.** The Company is liable to the Director for the:

- a) settlement of expenditures relating to the execution of the mandate, on the basis of supporting documents, in the amount applicable to the Chief Executive Officer position, including, without limitation: accommodation, allowance per-diem, transportation and other expenses related to the achievement of the mandate, and no matter if they were made locally or abroad;
- b) supply of logistical support equipment (telephone, tablet, laptop, car) required to perform more efficiently his/her duties and liabilities in a proper and safe way; in case this happens, the Director is obliged to use these equipment according to the requirements provided by the Company.

**Art. 16.** The Director shall benefit of an insurance policy of type “directors & officers liabilities”. The *Company* shall support and pay the costs of the related insurance premiums.

**Art. 17.** The Director may benefit, together with the other Directors, under the law, of specialty assistance for substantiation/motivation of decisions made within the Board of Directors, as well as legal assistance in case of making claims by a third party and against the Director towards the fulfilment of the duties according to the Director Agreement, the Articles of Incorporation, the Rules of Organization and Operation or Legal Framework.

## **VIII. Company's Rights**

**Art. 18.** The *Company* has the right to require the Director to perform his/her mandate in the exclusive interest of the *Company* and to be liable for the performance of the mandate to the Company.

## **IX. Company's Liabilities**

**Art. 19.** The Company undertakes to pay in due time all monies due to Director under this Director Agreement, including to withhold and to pay in due time the income tax and all mandatory contributions, tax or other kind, which are under Director's responsibility, on his/her account and behalf.

**Art. 20.** The Company undertakes to secure Director's full freedom in fulfilment of his/her mandate/assignments/liabilities, under the limits provided by the Articles of Incorporation, under this

Director Agreement and applicable legal framework, as provided by Article 3, 4, 7 and 8 of this Director Agreement.

## **X. *Parties Liabilities***

**Art. 21.** Non-fulfilment and/or inappropriate performance of obligations undertaken by any party to this Director Agreement shall result in the contractual liability of the party in default, under the law.

**Art. 22.** The Party who caused termination of this Director Agreement by culpable breach and/or culpable inappropriate fulfilment of undertaken obligations is liable to the other party for all damages arising out of Director Agreement termination.

**Art. 23.** The Director is liable for culpable breach suffered by the Company due to non-fulfilment by the Director of his/her duties and liabilities as provided in this Director Agreement, the Articles of Incorporation, the Rules of Organization and Operation of the Board of Directors, Resolutions of the General Meeting of Shareholders or the Legal Framework, in accordance with the applicable law, as well as for the non-fulfilment of the Governing Plan to achieve the objectives included therein and the financial and non-financial performance indicators.

**Art. 24.** The Director is not in breach of prudence and due diligence obligations and will not be considered liable when a business decision is made, if he/she has reasonable grounds to believe that he/she acts on behalf of the *Company* based on adequate information, unless a contingent event occurs, as it is defined in Article 2, letter j).

**Art. 25.** The *Company* is responsible for the culpable breach of the obligations undertaken under this Director Agreement and will pay for the damages so caused.

## **XI. *Loyalty. Confidentiality. Non-competence.***

During this Contract, the Director is liable:

**Art. 26.** to exercise his/her mandate with loyalty, prudence and due diligence as a good Director acting always in the interest of the Company and to standards of diligence expected from a professional offering services related to a non-executive position within the Board of Directors of a company, having the same or similar business object as the Company; the Director is not in breach the above-mentioned provisions in case where, at the moment of making a business decision, he/she is reasonably right to consider (i) that he/she is acting in the Company's interest and (ii) he/she has made the decision based on adequate information.

**Art. 27.** a) to keep the Company's information and business secrets confidential, to which he/she had access by means of the documents presented to the Board of Directors, except for the situations when such use is required by law or necessary in relation to the public authorities and/or the participation of the Director to a litigation subject to the Company's activity;

b) to use all the information regarding the Company, except the information available to the public (without being followed by an unpermitted action, omission or a similar action from the Director) acquired by the Director during his/her appointment, are confidential and shall be used by he/she only for the purpose of fulfilment of duties related to his/her position as a non-executive director. The Director shall not use this information for his/her own benefit, whether directly or indirectly, or in the

benefit of third parties. The Director shall not disclose this information to any third party, except for the case where he/she must do this in accordance with the Legal Framework and this Director Agreement. This liability is valid for the duration of this Director Agreement and after its termination for a period of 5 (five) years;

c) not to use in his/her own interest and not to disclose to any unauthorized person any confidential or secret information regarding the Company's activity. In this respect, the Director is liable to respect the confidentiality rules provided in Annex 1 of this Agreement;

d) to develop his/her activity so as to protect the Company's image; not to communicate in public and present, even in a confidential manner, any information, other than the information that became public in any other way, regarding the Company or its activity, of a nature to disorientate and/or differ the public opinion, contractual partners, persons involved in the Company's activity and to create an unfavourable situation for it.

**Art. 28.** a) to avoid conflicts of interest in report to the Company, to inform the Board of Directors immediately when such a situation occurs and to refrain from taking part in the deliberations and to make any decision; the same obligation applies if the stakeholder is the husband/the wife, relatives or in-laws of fourth degree of the Director;

b) not to use in commercial purpose, for himself/herself or for other person, of the results of experiments performed by the Company on its own or in partnership with entities involved in the activity and valorization of the Company's scope or other information covered by the obligation of professional secrecy in relation to these ones (know-how or other similar information);

c) not to use in his/her own interest or in any other person's interest the name of the Company;

d) not to require nor accept a business directly or indirectly related to products competing with the Company's products from any of his/her clients wherever they might be.

**Art. 29.** a) during the execution of his/her Agreement within the Company, he/she: (i) shall not acquire participating interests to permit exercising control in a company developing the same activity or an activity similar to the Company's or that has regulate commercial reports with the Company, or (ii) shall act as a director, manager, member of the directorate, censor, employee, agent or a representative of a company who is a competitor to the company or (iii) shall provide in any other manner, in his/her interest or on a third party's interest that has the same activity or a similar activity to that of the Company's, similar services to those provided in the Company's benefit;

b) during the execution of his/her Agreement within the Company, the Director is liable not to take part in acts of unfair competition, either directly or indirectly, on his/her account or on behalf of a third party, including but without limitation to, the determination or the attempt to determine any employee, consultant, supplier, buyer or independent contractor of the Company to terminate the report with the Company;

## ***XII. Force majeure***

**Art. 30.** The parties are held harmless in case of force majeure events, as defined at article 2, letter h) of this Director Agreement.

**Art. 31.** In case of a force majeure event, the parties will use joint endeavours to diminish the possible damages that would result further to such event.

**Art. 32.** The parties also undertake to mutually notify in writing within at most 5 (five) days from the occurrence of any force majeure event, and generally to inform each other and in due time on the potential impediments that might lead to difficulties in achieving the scope of this Director Agreement.

### ***XIII. Amending the Director Agreement***

**Art. 33.** This Director Agreement may be amended only by the written agreement of the signing parties expressed in an addendum.

**Art. 34.** This Director Agreement shall be consistent with the applicable legal regulations issued subsequent to the conclusion of this Agreement.

### ***XIV. Termination of the Director Agreement***

**Art. 35.** This Director Agreement terminates if:

- 35.1. the contract period expires;
- 35.2. if the negotiations for approval of financial and non-financial indicators resulting from the governance plan fail;
- 35.3. the Director is immediately dismissed by the General Meeting of Shareholders due to the unjustified non-performance of the obligations provided under the Director Agreement or Law;
- 35.4. the Director deceases;
- 35.5. the *Company* goes bankrupt or insolvent;
- 35.6. the agreement of the parties hereto;
- 35.7. the Director resigns through no fault of the undersigned, case in which the Director must send to the *Company* a prior notification within 30 days;
- 35.8. the occurrence of legal impediments, as they are defined under article 2 letter d) herein, that prohibit the Director to hold this position;

**Art. 35.** The Director's mandate can be revoked in the following instances: (1) he/she is part of a criminal action in court relating to offences against the patrimony by means of misuse of trust, to corruption, embezzlement, forgery of deeds, tax evasion, offences provided by Law 656/2002 regarding prevention and sanctioning of money laundering, and the establishment of measures for prevention and fighting terrorism, republished, (ii) he/she committed an offence provided by Law 31/1990 as subsequently amended and supplemented or (iii) existing final criminal court ruling in connection with an intentional criminal offence, in accordance with the criminal law. In these cases, the mandate revocation by the Company's general meeting of shareholders shall not be deemed as unjust revocation

**Art. 37.** In case of an unjust revocation, the respective Director is entitled to receive from the Company damages, pursuant to Director Agreement.

**Art. 38.** The payment of this compensation shall be made within 30 working days from the date of General Meeting of Shareholders' resolution on revocation. This form of compensation is the only indemnity available for the Director in case his/hers revocation occurs without justification.

In case the Director is revoked for grounded/justified reasons, the Company owes no compensation for the unperformed mandate term.

If the Director committed any offences or actions provided in Chapter XI of this Agreement, this gives the Company's General Meeting of Shareholders the right to revoke this Agreement by the Director's fault and to oblige the Director to terminate or to disregard the offence/action or their consequences, to return the confidential documents illicitly taken from their legitimate owner and, as the case may be, to pay compensation for the damages caused to the Company, in accordance with the legislation in force.

## ***XV. Litigations***

**Art. 39.** Any litigation occurring between the parties in connection with signing, concluding, terminating or construing this Agreement and which cannot be amicably settled shall be referred to the competent Romanian courts of law.

## ***XVI. Confidentiality Obligation between the Parties***

**Art. 40.** The Parties undertake to keep the confidentiality of all data, information and documents received from the other party in relation to the performance of this Director Agreement, according to all applicable and effective legal and statutory provisions.

**Art. 41.** The Parties may disclose information or documents related to the performance of this Director Agreement only to persons involved in its performance who will be bound by the obligation not to use the information for another purpose than the performance of this Agreement, such persons being informed of this obligation by the signing party of the Agreement.

**Art. 42.** The disclosure of information is not considered confidentiality obligation in the following cases:

- 43.1. when the information was known to the party prior to receiving it from the other party and if this can be proven;
- 43.2. when the disclosure was made after receiving the written agreement of the other party;
- 43.3. when the information was known on the date of its disclosure;
- 43.4. when the party disclosed such information in order to comply with legal provisions or with a court decision.

## ***XVII. Final provisions***

**Art. 43.** The Director declares that he/she is meets all the requirements provided by the Law and Company's Articles of Incorporation in order to be appointed as nonexecutive director of the *Company* and he/she declared that neither of the situation/position provided in Article 30 and neither of the incompatibility situations provided by G.E.O. no.109/2011 and by Law no.31/1990 nor the competition situations provided in Annex 2 to the Agreement are applicable to him/her.

**Art. 44.** This Agreement is governed by and construed in accordance with the provisions of the Romanian law. For any aspect not expressly mentioned herein, this Agreement is supplemented with the provisions of the Romanian Civil Code, of G.E.O. no.109/2011, of GD. No 722/2016, of Articles of Incorporation, of Board of Directors Internal Rules and any other applicable legal regulations.

**Art. 45.** The Director agrees that his/her personal data made available to the Company to be processed by the Company (for instance data related to its identity, domicile, professional activity, personal ID code etcetera) for the purpose or in connection to the performance of this Agreement.

**Art. 46.** The Director is not an employee and this Director Agreement is not a labour contract.

**Art. 47.** This Agreement constitutes the entire agreement between the parties and supersedes any previous, written or verbal, agreements between the parties related to the scope of this agreement.

**Art. 48.** If certain clauses of this Director Agreement become legally ineffective, the validity of the other Agreement provisions will not be affected. In such instances, the parties agree to renegotiate with good faith any legally ineffective clause, adding the renegotiated clause to the provisions of this Director Agreement by means of an addendum hereto.

**Art. 49.** All notifications/correspondences mutually made by the parties according to this Agreement will be made in writing and send by fax, e-mail, certified mail with acknowledgement of receipt or express courier at the addresses specified at Article 1 of this Agreement. Depending on the specific situation, the parties will, reasonably and in good faith, choose the most suitable notification manner mentioned above, in such a way as to fulfil its scope and to lead to the fulfilment of the contractual obligations of the parties.

**Art. 50.** If at any time during this Director Agreement one of the parties does not expressly insist on enforcing a certain provision of the Agreement, it does not mean that this party has relinquished such provisions or that it has waived its right to enforce such provisions.

In witness whereof, we signed today \_\_\_\_\_, in \_\_\_\_\_, this Director Agreement in 2 (two) original copies and hereby the parties declare that each of them received upon signing a copy of this Agreement.

**Societatea Națională de Gaze Naturale**

**„ROMGAZ” – S.A.**

By: \_\_\_\_\_, mandated by  
Resolution no. \_\_\_\_\_  
of the Ordinary General Meeting of Shareholders

**Director**

**Mr./Mrs. ....**