

LEASE CONTRACT OF FIXED ASSETS not included in the annexes of License No. 1942/2014 in the “Technical characteristics of UGS surface facilities”

No. /

Between:

Societatea Națională de Gaze Naturale „Romgaz” S.A., with headquarters in Mediaș, 4 C.I. Motaș square, Sibiu County, registered at the Trade Registry Office Sibiu under no. J32/392/2001, fiscal code RO 14056826, bank account no. RO08 RNCB 0231 0195 2533 0001 opened at BCR Mediaș, phone 0374-401020, fax 0269-846901, legally represented by Mr. Razvan Popescu, Chief Executive Officer, as owner of the leased assets, hereinafter called the **LESSOR**, on one hand

and

Societatea Națională de Gaze Naturale „Romgaz” S.A. - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești S.R.L. with headquarters in 184 G. Cantacuzino Str. Ploiești, Prahova County – Romania, registered at the Trade Registry Office under Prahova Court with no. J29/1181/2015, fiscal code: 34915261, bank account no. RO36 BTRL RON CRT 0317066401 opened at Banca Transilvania Ploiesti, legally represented by Mr. Vasile Cârstea, Director General as **LESSEE**, on the other hand

agreed to conclude this contract.

PREAMBLE

(A) Having in view that: setting up the Subsidiary acting as natural gas underground storage operator, is supported both by Directive 2009/73/EC of July 13, 2009 on the common rules for the internal gas market, by Article 15, and by Natural Gas and Electricity Law no. 123/2012, by Article 141, provided that the Subsidiary is independent from SNGN Romgaz SA. Thus, the Subsidiary fulfils the minimum criteria described in Article 141 of Law 123/2012 and in Article 15 of EC Directive 73/2009 regarding the underground storage operator independence.

(B) **WHEREAS S.N.G.N. „ROMGAZ” S.A. Mediaș** is the owner of fixed assets used for underground storage activities, that are not included in the annex to License 1942/2014 and that are going to be used by Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL in its current activities, recorded in Romgaz patrimony in the Fixed Assets inventory according to Annex A hereunder.

(C) **WHEREAS, Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL** acts as independent natural gas underground storage operator, according to License for natural gas

underground storage issued by ANRE and for carrying out the underground storage activity it is necessary to conclude a lease contract for the assets provided in Annex A1, A2, A3.

1. Definitions

In this Lease Contract, capitalised terms shall have the following meaning, except otherwise provided or required by context:

Assets	mean the fixed assets as described in Annexes A1, A2, A3 attached to this Contract;
Assets investments and upgrade	means capitalizable expenses in compliance with applicable accounting provisions
Lease Price	means the price to be paid by the lessee for use of Assets and as compensation for all other rights and obligations undertaken by Romgaz subject to this Contract
Business Day	Means a day (other than Saturday or Sunday) when the banks are usually open for general business in Romania.

2. Scope

- 2.1 The scope of this Contract is granting by the Lessor to the Lessee of the right to use the Assets (in compliance with Annexes A1, A2, A3 hereto) for the term set according to Article 4 below and against the Contract Price.
- 2.2 A list of the Assets as of the conclusion date of this Contract is attached hereto as Annex (A1, A2, A3).
- 2.3 The list of Assets in Annex A shall be updated by signing an addendum to this Contract, if there shall be changes in the body and structure of the Assets.

3. Investments and upgrades of assets

- 3.1 During the term of this contract, the Lessor shall invest in the Assets that the Lessor sees as necessary and these shall be included in the investment plan accepted by the Lessee.
- 3.2 Based on the documents requested by applicable regulations and in compliance with the legal and administrative requirements these investments shall be recorded as assets in the Lessors patrimony.

4. Contract Term

- 4.1 The Contract shall enter into force on January 01, 2023, conditional upon approval by the Extraordinary General Meeting of Shareholders of SNGN Romgaz SA and it shall be valid for 12 months, until December 31, 2023, respectively.
- 4.2 The Contract may be extended by agreement of the parties.

5. Contract Price

- 5.1 The Contract Price for using the Assets mentioned in Annexes A1, A2, A3 is **2,019,560 RON/ month**, VAT excluded.

The items underlying the contract are accounting depreciations calculated in compliance with IFRS provisions and Ordinance 2844/2016 of the Ministry of Public Finances, adding thereto a profit margin, taxes and fees owed as owner of assets, as provided by the applicable effective law.

5.2 Contract Price Revision

- (a) Should significant deviations occur for the items underlying the lease tariff, deriving from mandatory re-evaluations of the fixed assets, required by the applicable law, namely changes on taxes/fees established locally or nationally, the tariff could be reviewed and adjusted accordingly in compliance with Article 9 paragraph 2 of this contract.
- (b) The contract price shall be amended only by mutual agreement of both parties, by an Addendum to this contract.
- (c) During the contract price negotiation and up until its approval by both parties, the lease services shall not be interrupted by the Lessor Romgaz.

5.3 Payment terms and conditions

- a) The lease invoice shall be issued on the first business day of the month.
- b) The lease payment shall be made monthly by payment order or any other legal instrument agreed by the parties, within 60 days from the date of invoice issue. If the Lessee fails to fulfil its contractual obligations to pay the lease or in case of an inadequate fulfilment, the Lessee undertakes to pay the Lessor late payment penalties equal to the amount of late payments penalties due for non-payment on time of fiscal duties, set in compliance with regulations effective on such date, calculated for the unpaid value as of the first day from the due date.
- c) The lease payment shall be made by the Lessee in the accounts mentioned by S.N.G.N. ROMGAZ SA as follows no. RO08RNCB0231019525330001 and RO69RNCB0TVA000000000002 opened at BCR Medias. The Lessee shall remain liable for lease payment if it abandons the assets without the Lessors consent. If the due date is not a Business Day, the payment obligation shall become due on the immediately following Business Day.

6. Romgaz Lessor Rights and Obligations

- 6.1 Notwithstanding the other provisions of this Contract, the Lessor shall have the following main obligations:

- (a) to ensure the Lessee's free and undisturbed use of the Assets, protecting against any disturbances resulting from or in connection with the Lessor's financial or commercial status, as well as from any third parties claims;

- (b) to withhold from any arrangements that could disturb the Lessee's activities related to the Assets;
- (c) not to sell, transfer, free of any encumbrances or benefit in any other way of the Assets, to obtain, maintain and renew, if the case may be, all authorizations, agreements, permits and approvals or to send all notifications, information or requests, either directly or through the Lessee, necessary in connection with the enforcement of this Contract and performance by the Lessee of the natural gas underground storage services and the operation of the Assets;
- (d) to provide all the documentation and to take all the necessary endeavours in order to carry out the changes considered necessary for this Lease and to grant the Lessee the rights necessary for fulfilling its rights and obligations under the Underground Storage License, the Concession Agreement and the applicable laws and regulations (issued by the local and central authorities) as they shall be applicable at a given time.

6.2 Romgaz Lessor shall have the following rights:

- (a) to collect the Lease Price according to the terms and conditions provided in this Lease;
- (b) to initiate the changes and/or amendments of this contract, in case the circumstances underlying this contract have changed;
- (c) to verify if the Assets included in this contract are used for the storage activity;

7. Obligations and rights of the Lessee

7.1 Notwithstanding the other provisions of this Contract, the Lessee shall have the following main obligations:

- (a) to pay the Lessor the Lease Price by the deadline provided in this Lease;
- (b) to notify the Lessor any change of the circumstances which led to the conclusion of this Lease and to duly initiate the modification/supplement/termination of this Contract;
- (c) not to use the Assets for other reasons than those for the performance of natural gas underground operations;
- (d) to use and operate the Assets efficiently and directly in accordance with the operating procedures, for the purpose of providing the gas storage services under safe conditions, economic efficiency and environment protection;
- (e) to keep the assets' integrity, to use them properly, not to modify them without the prior consent of the owner, not to damage or degrade them;
- (f) not to assign this Lease without the consent of the owner and not to sublease any of the assets included in Annexe A to this Contract;

- (g) upon expiry of this Lease, to return the assets in good working condition, based on a Delivery and Take-Over Record signed by both parties;
- (h) to perform on its expense all the maintenance works required or requested by the provisions included in the technical documentation of the Relevant Assets. If the Lessor considers that the maintenance performed by the Lessee does not meet all the requirements to accept the execution on time and in good condition, at its expense, of all additional maintenance works, including damages resulting from its gross negligence on the leased Assets;

7.2. The Lessee shall have the following main rights:

- (a) To freely and fully dispose of own or third party natural gas, injected into UGS's;
- (b) To freely and fully dispose of leased Assets;
- (c) To use and operate the Assets for the proper fulfilment of the obligations and conditions provided in the Storage License, in the Concession Agreement, and any other obligations set out under the regulatory framework applicable to gas storage activities;
- (d) to be able to require the Lessor to make such amendments as may be deemed necessary with respect to this Lease Contract in such a way that the Lessee is granted the rights necessary to exercise his rights and to fulfil the obligations set out under the storage License, in the Concession Agreement and the applicable laws and regulations, as they will be in force at a given time.

8. Indemnity

- 8.1 Each Party undertakes to indemnify the other Party for any losses/damages resulting from a breach of this Lease, except for those arising from the fault of each Party.
- 8.2 The provisions with respect to the indemnity provided in this Clause shall survive after the Termination of this Lease.

9. Amendment and Assignment

- 9.1 The amendment of this Lease Contract can be only executed by a written Addendum.
- 9.2 In the context of this Lease Contract, *a change of circumstances* means the modification or occurrence of new taxes, fees, changes in the arrangements for taxation or fee charge, an increase/decrease in any existing taxes or fees, or the application of new legal requirement relating to the storage of natural gas, mandatory revaluations of fixed assets required by the legislation in force which were not in force at the signing date of this Lease. If there is a change in the circumstances, the Parties agree to renegotiate the terms determined by it.
- 9.3 None of the Parties may transfer nor assign any of its rights or obligations set out under this Lease, without prior express and written consent of the other Party. In such a case, the Transferor (Assignor) shall remain fully liable to the other Party for the fulfilment of the obligations provided in this Lease.

10. Termination

- 10.1 This Lease Contract shall terminate *ex officio* without the need to carry out any prior formalities or procedures, on the expiry date of the lease term.
- 10.2 The Lease Contract may terminate at a date prior to the termination of the Lease, only by consent of the Parties.
- 10.3 On the date on which the procedure for increasing the share capital of S.N.G.N. ROMGAZ S.A. – Filiala de Inmagazinare Gaze Naturale Depogaz Ploiesti S.R.L. is implemented (if the increase of the share capital of S.N.G.N. ROMGAZ S.A. - Filiala de Inmagazinare Gaze Naturale Depogaz Ploiesti S.R.L. is carried out before Decembrie 31, 2023) the Contract shall terminate.

11. Applicable Law. Settlement of Disputes.

- 11.1 This Lease Contract is governed and shall be interpreted in accordance with the Laws of Romania.
- 11.2 The Parties shall endeavour to settle amicably any claim or dispute arising between them in or in connection with this Lease. Any dispute, controversy or claim arising out of or in connection with this Lease, or its breach, termination or invalidity, which cannot be settled amicably, shall be submitted for decision to the competent court.

12. Miscellaneous

- 12.1 Force Majeure
- (a) Any circumstances beyond the control of the Parties which arises after the signature of the Lease and which makes impossible, in whole or in part, the fulfilment of any obligation of either Party, shall be considered as Force Majeure and shall hold harmless the Party invoking Force Majeure to the extent that this Party is unable to fulfil its obligations.
 - (b) In order to be held harmless for non-fulfilment of obligations, the Party invoking Force Majeure undertakes to immediately notify the other Party of the occurrence of the Force Majeure event, and to certify the event within 5 days of the date of the event occurrence, by a certificate issued by the Chamber of Commerce and Industry of Romania or other similar institution.
- 12.2 Confidentiality
- The Parties agree not to disclose any Confidential Information to any Person without the prior written consent of the other Party. For the purposes of this Clause, "Confidential Information" means the information with respect to the terms and conditions of this Lease and any other documents or agreements relating thereto, and any other information acquired in connection with the negotiation, performance and enforcement of this Lease and any agreement or document relating thereto, bearing in mind that this obligation shall not apply to the extent that:

- (i) the information is now or shall subsequently become public without the breach of this Lease;
- (ii) the information is already known by a Party without being protected by an earlier confidentiality clause binding on the Relevant Party;
- (iii) disclosure of the information is necessary to comply with any legal or other binding requirement, including the application for any authorization or approval from any relevant authority. Each Party agrees to restrict the amount and terms on which the disclosure is made to only such confidential information as is necessary to comply with the requirements of the judicial, law or regulation decision
- (iv) disclosure of the information is necessary for the purpose of defending the rights under this Lease; or
- (v) disclosure of the information is necessary to be made to directors, agents, employees, representatives, advisers, lawyers or accounts to enable them to fulfil their obligations and these persons have undertaken to keep this information confidential.

12.3 Warranties

The Parties guarantee each other that this Lease Contract represents a valid, legal obligation, enforceable under the terms of this Lease Contract.

12.4 Announcements

Any notification to be sent by one Party to the other Party shall be made in writing and shall be sent by any legally recognized means (fax, letter of acknowledgement of receipt, email etc.)

The Parties shall meet regularly in to discuss their obligations under this Lease Contract and shall make every effort to amicably settle any issue arising therefrom.

12.5 Counterparts

This Lease Contract was concluded today, in two original counterparts. Each Party shall receive an original copy.

LESSOR
S.N.G.N. ROMGAZ S.A.

LESSEE
S.N.G.N. ROMGAZ S.A. -
FILIALA DE INMAGAZINARE GAZE
NATURALE
DEPOGAZ PLOIESTI S.R.L.

CHIEF EXECUTIVE OFFICER
Răzvan POPESCU

DIRECTOR GENERAL
Vasile CÂRSTEA

CHIEF FINANCIAL OFFICER
Andrei BOBAR

ECONOMIC DIRECTOR
Viorica Mariana IONESCU

DEPUTY CHIEF EXECUTIVE OFFICER
Aristotel Marius JUDE

LEGAL DEPARTMENT
Adrian Iancu AVRAM

Preventive Financial Control Visa

DIRECTOR OF LEGAL DEPARTMENT
Endre IOO

MECHANICAL DEPARTMENT
Cosmin ENESCU

HEAD OF PATRIMONY OFFICE
Victor Cristian MARIAN