

Nr. 4862 / 11.02.2015

To,

**THE GENERAL MEETING OF SHAREHOLDERS
of S.N.G.N. „ROMGAZ – S.A.**

Whereas:

- Article 10 of the Resolution No. 22/30.10.2014 of the Board of Directors of S.N.G.N. „ROMGAZ” – S.A. Nr. 22/30.10.2014 endorsing the establishment, registration and declaration at the Trade Register Office under Prahova Court of the Underground Gas Storage Subsidiary - Depogaz Ploiesti;
- Item II of the Resolution No. 10/19.12.2014 of the Extraordinary General Meeting of Shareholders approving the establishment of the underground gas storage subsidiary under the following registration data:

Name: SNGN ROMGAZ SA – FILIALA DE ÎNMAGAZINARE GAZE NATURALE DEPOGAZ PLOIEȘTI SRL

Address: Ploiesti, 184 Gh.Gr.Cantacuzino street, Prahova County

Scope of activity, under CAEN Rev 2: 5210 – Storage

Secondary scope of activity:

0910 Activities connected to crude-oil and natural gas extraction
7022 Business and management consulting activities

Number of employees: 20;

We hereby submit for approval the Articles of Organization of the subsidiary, as attached hereto.

We hereby inform that the first director of the subsidiary will be the legal entity Societatea Națională de Gaze Naturale „ROMGAZ” – S.A., preliminary to the selection of the subsidiary directors under GEO No. 109/2011 on corporate governance of public enterprises.

Best regards,

**CHAIRPERSON
BOARD OF DIRECTORS
Aurora NEGRUȚ**



Capital social: 385.422.400 lei
CIF: RO 14056826
Nr. Ord.reg.com/an : J32/392/2001
RO08 RNCB 0231 0195 2533 0001 - BCR Mediaș
RO12 BRDE 3305 V024 6190 3300 - BRD Mediaș



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- Draft -

BY-LAWS
of
The Underground Gas Storage DEPOGAZ PLOIESTI SRL,
Subsidiary of SNGN Romgaz S.A.

S.N.G.N. ROMGAZ S.A. is a Romanian legal entity, having its registered headquarters in Medias, C.I. Motas Square, no. 4, Sibiu County, registered with Trade Registry of Sibiu Court of Law under number J32/392/2001, fiscal code RO 14056826, represented by Mr. Virgil-Marius Metea, Romanian citizen, born on August 12, 1960 in Turda town, Cluj County, domiciled in Livezeni village, Alea Lunii, no. 2, Mures County, holder of Identity Card series MS no. 577328 issued by SPCLEP Targu Mures on August 11, 2010, personal identification number 1600812264393, as Director General according to the Board Resolution no. 8/2013,

Of my free volition and without any coercion or undue influence whatsoever I decided to establish a company in Romania as follows:

CHAPTER 1
LEGAL FORM, NAME, DURATION, HEADQUARTERS

ARTICLE 1.1 Legal Form

The company is a limited liability company having a sole owner, is a Romanian legal person performing its activity in accordance with the Romanian law and these By-Laws.

Any change to the legal form shall be made by the decision of the sole owner, in compliance with the conditions and formalities provided by law.

The company holds rights and obligations and is liable in relation to third parties to the extent of its entire patrimony.

ARTICLE 1.2 Name

The undersigned establishes a company whose name is *SNGN ROMGAZ S.A. – The Subsidiary of Underground Gas Storage DEPOGAZ PLOIESTI SRL*, according to the name availability proof no. 2634 dated January 27, 2015 issued by the Trade Registry Office of Sibiu Court of Law.

The name, legal form, headquarters, trade registry number, fiscal code and share capital shall be mentioned in all documents issued by the company – invoices, offers, orders, tariffs, prospects and any other document used for commercial activity, except for fiscal receipts issued by electronic cash register, which shall include the elements provided by the applicable legislation.

In case of an own webpage of the company, such information shall be published on the company's website.

Any change in the company's name shall be made pursuant to the decision of the sole owner and only after availability of the company name has been confirmed.

ARTICLE 1.3 DURATION

The company is incorporated for an unlimited duration.

ARTICLE 1.4 HEADQUARTERS

The company's headquarters is in Ploiesti, Str. Ghe. Gr. Cantacuzino, no. 184, Prahova County.

The decision to change the headquarters to any other place lies within the sole discretion of the sole owner, and shall be made in compliance with the formal and publicity provisions provided by law.

The company may establish secondary work locations at any other address, in any other places in Romania and abroad based on the sole owner's resolution, in compliance with the applicable legal provisions.

CHAPTER II SCOPE OF BUSINESS

ARTICLE 2.1 The company's scope of business:

- The main scope of business is "Storage" corresponding to CAEN Group 521
- The main activity: Class CAEN 5210 Storage
- Secondary activities:
 - Class CAEN 0910 Activities of services ancillary to petroleum and natural gas production
 - Class CAEN 7022 Business and other management consultancy activities.

ARTICLE 2.2

While performing its scope of business, the company shall pay all taxes, fees and charges provided by the legislation in force.

The company's scope of business may be changed, by extension or restraining, pursuant to the sole owner's decision.

**CHAPTER III
SHARE CAPITAL, SOCIAL SHARES**

ARTICLE 3.1

Upon establishment, the subscribed and paid share capital of the company amounts to RON 1,200,000, divided into 120,000 social shares having a nominal value of RON 10/social share held entirely by the sole owner.

ARTICLE 3.2

The sole owner may decide on the change of the share capital, in compliance with the applicable legal provision.

ARTICLE 3.3

Reduction of share capital can only take place after a two-month period from the date the decision was published in the Official Gazette of Romania, Part IV. Any creditor may raise objections within the term provided under article 62, paragraph (1) of the Company Law no. 31/1990, republished, as amended from time to time.

ARTICLE 3.4

The sole owner may decide to increase the share capital by contributions in kind or in cash.

In case share capital is increased by contribution in kind, the sole owner shall order an expertise to assess the movable or immovable assets.

The newly established social shares shall be entirely subscribed, free of any encumbrances.

ARTICLE 3.5

The social obligations are guaranteed with the company's patrimony and shall not be encumbered by any liens or other personal obligations, and are indivisible. The sole owner is liable up to the convergence of the amount representing the social shares it holds.

ARTICLE 3.6

The sole owner may decide the partial or total assignment of social shares to third parties.

The assignment of social shares is recorded in the trade register and in the company's shareholder register.

The assignment documents shall not be binding on the company and third parties unless published in the Official Gazette of Romania, Part IV, and recorded in the trade register.

CHAPTER IV SOLE OWNER

ARTICLE 4.1

The sole owner has the following duties:

- To approve the annual financial statement and to allocate the net profit, and to establish the global limits of leverage of the company;
- To appoint the directors, to revoke them and to release them from their duties, and to decide upon contracting financial audit services, when such is not mandatory;
- To amend the article of incorporation;
- Any other duties as sole owner provided by the applicable legislation.

ARTICLE 4.2

To comply with the imperative conditions of Article 143, paragraph 3 of Law No. 123/2012 on Electric Power and Natural Gas, the sole owner shall ensure compliance with the following requests:

- Persons ensuring the management of the company shall not be part of the sole owner's structures, directly or indirectly responsible with the coordination of the production and natural gas supply activity;
- The sole owner shall define the conditions under which persons with management duties within the company may act independently;
- The company shall have decision taking competences independently from the sole owner as regards the assets required for the operation, maintenance and development of the storage facilities;
- The sole owner shall not instruct the company as regards the current activity management, and the individual decisions referring to building and/or revamping storage facilities not exceeding the limits approved within the financial plan or any other equivalent document;
- The company shall prepare a conformity programme comprising the measures taken to ensure exclusion of discriminatory practices, and shall also set the specific obligations of the employees in order to achieve the goal of independency;
- The company shall appoint a person/ body named conformity agent to ensure the proper monitoring of compliance with the conformity programme, and which shall submit a report on the taken measures to the competent authority in December each year, and such report shall be published on the company's website.

CHAPTER V CORPORATE GOVERNANCE

ARTICLE 5.1

The company's directors shall be selected and appointed by the sole owner, in compliance with the applicable legal provisions. As of the date of incorporation, the director of the company is:

SNGN ROMGAZ S.A., a Romanian legal entity, having its registered headquarters in Medias, C.I. Motas Square, no. 4, Sibiu County, registered with Trade Registry of Sibiu Court of Law under number J32/392/2001, fiscal code RO 14056826, bank account RO 08 RNCB 0231 0195 2533 0001 opened with BCR Medias, legally represented by Mr. Virgil-Marius Metea, as Director General.

ARTICLE 5.2

By the due care of the director, the company shall keep a company register recording the owner's name and surname, its domicile, its contribution to the company's share capital, the transfer of social shares or any other changes with respect therefore.

The director is liable to the company for:

- accuracy of payments;
- the actual availability of paid dividends;
- existence of registers required by law and their accurate keeping;
- accurate fulfilment of the sole owner's resolutions;
- strict fulfilment of the responsibilities imposed by law and by the Articles of Incorporation;

ARTICLE 5.3

The company's representation and governance shall be carried out by the director within the competence limits set by the sole owner.

ARTICLE 5.4

The company shall be governed for a period of 4 years, by full representation and governance powers.

ARTICLE 5.5

The Directors' rights and obligations, as well as the incompatibility condition, shall be established in the Director's Agreement concluded with the company, in accordance with these By-Laws and the legal provisions applicable to directors of public companies.

ARTICLE 5.6

The Directors shall perform all the required and useful acts in order to fulfil the company's scope of business, except for those under the sole owner's powers as provided by law.

CHAPTER VI COMPANY'S ACTIVITY

ARTICLE 6.1

The financial year starts on January 1 and ends on December 31 of each year. The first financial year shall commence upon incorporation of the company.

ARTICLE 6.2

The company's personnel shall be employed in compliance with the applicable law.

ARTICLE 6.3

The company shall prepare financial statements and the profit and loss account, and shall keep the evidence of the economic-financial activity in accordance with the applicable legal provisions.

ARTICLE 6.4

The company's profit is set by the annual financial statement approved by the sole owner.

ARTICLE 6.5

As of the date hereof, the appointed auditor is:

SC DELOITTE AUDIT SRL, a Romanian legal person, having its headquarters in Bucharest, Sos. Nicolae Titulescu no. 4-8, 3rd floor, sector 1, registered at Bucharest Trade Registry under number J40/6775/1995, fiscal code 7756924, fiscal code 7756 represented by Mr. Farrukh Zafar Khan.

CHAPTER VII COMPANY DISSOLUTION AND LIQUIDATION

ARTICLE 7.1

The company is dissolved upon the occurrence of the following:

- Expiration of the company's duration;
- Impossibility to fulfil the company's scope of business or the achievement of such;
- the company is declared void;
- the sole owner's decision;
- court decision;
- bankruptcy;
- other causes provided by law.

ARTICLE 7.2

The company's dissolution, before the expiration of its duration shall only produce effects on third parties after 30 days from publishing in the Official Gazette of Romania Part IV.

ARTICLE 7.3

Dissolution and liquidation of the company with sole owner is made according to Law 31/1990 on Companies, republished, as amended from time to time.

**CHAPTER VIII
LITIGATION**

ARTICLE 8.1

The litigation between the company and legal or natural person fall within the competence of courts of law.

ARTICLE 8.2

The litigation of the company residing from contracts concluded with legal or natural persons shall be settled by the competent court by applying the substantive Romanian law.

ARTICLE 8.3

The litigation of employees rising from legal relationship of labour is settled in accordance with the Romanian labour-related legislation in force.

**CHAPTER IX
FINAL PROVISIONS**

ARTICLE 9.1

The provisions of these By-Laws shall be supplemented by the rules of the Civil Code, the Labour Code, Law no. 31/1990 on Companies, republished, as amended from time to time, and the civil legislation in force.

ARTICLE 9.2

These By-laws shall enter into force upon signing thereof by the sole owner and upon the company's gaining legal personality, according to law, representing the company's Articles of Incorporation.