

LEASE OF FIXED ASSETS

included in the Annexes to License no. 1942/2014 in the „Technical characteristics of the surface facilities related to underground storages”

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 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. Răzvan 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 street, Ploiești, Prahova County – România, 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

have agreed to conclude this lease contract (“Lease”).

PREAMBLE

(A) Having in view that establishing the Subsidiary, that acts as a natural gas underground storage operator, is supported both by Directive 2009/73/EC of July 13, 2009 on the common rules for the internal market in natural gas, 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. Thus, the Subsidiary shall fulfil the minimum criteria described in Article 141 of Law 123/2012 and 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 some fixed assets that will be used by Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL for the natural gas underground storage activity in Bilciurești, Urziceni, Bălăceanca, Sărmășel, Ghercești storages, that are recorded in Romgaz patrimony in the Fixed Assets Inventory according to Annex A to this Lease.

(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 required to conclude a lease contract for the assets provided in the Annexes to the License 1942/2014.

1. Definitions

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

Relevant Assets	Means fixed assets included in the annexes to license no. 1942/2014, namely in „Technical characteristics of surface facilities related to underground storages”, as described in Annex A , attached to this Lease;
Investments and upgrade in relevant assets	Means capitalizable expenses in compliance with applicable accounting provisions
Regulatory Authority	Means the Romanian Energy Regulatory Authority (ANRE) according to Government Emergency Ordinance no. 25/2007 published in the Official Gazette no. 270 of April 23, 2007 or any other regulatory authority in the natural gas field established according to the applicable law at a given time.
Lease Price	Represents the total price the lessee is required to pay for usage of Relevant Assets and as compensation for all the other rights and obligations undertaken by Romgaz under this Lease.
Business Day	Means a day (other than Saturday or Sunday) when the banks are usually open for the transaction of general business in Bucharest, Romania.

2. Scope

- 2.1 The scope of this Lease is the Lessor granting in favour of the Lessee, the right to use the Relevant Assets (as these shall be updated) – including fixed assets according to Annex A to this Lease, for the period established according to Article 4 below and against payment of the Lease Price.
- 2.2 A list of Relevant Assets as of the conclusion date of this lease is attached hereto as Annex A.
- 2.3 The list of Relevant Assets in Annex A shall be updated by signing an addendum to this Lease, if there shall be changes in the body and structure of the Relevant Assets and if the Lessor identifies in its property goods that are necessary for carrying out the underground storage activity and the Lessee wishes to lease them.

3. Investments and Upgrades of Relevant Assets

- 3.1 During the term of this lease, the Lessor shall make the investments in the Relevant Assets that the Lessor sees as necessary and that shall be included in the investment plan accepted by the Lessee and endorsed by ANRE.
- 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. Term of Lease

- 4.1 The Lease shall enter into force on January 1st, 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, 2021, respectively.
- 4.2 The Lease may be extended by agreement of the parties.

5. Lease Price

- 5.1 The Lease Price for using the Relevant Assets mentioned in Annex A is **6,406,364 RON/ month**, VAT excluded.

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

5.2 Lease Price Revision

- (a) where there are significant deviations in the items underlying the lease tariff, deriving from mandatory re-evaluations of the fixed assets, required by the applicable law, changes in local or national taxes/fees respectively, the tariff may be reviewed and adjusted accordingly pursuant to Article 9, paragraph 2.
- (b) The lease price shall be modified only with the agreement of both parties, by Addendum to this Lease.
- (c) During the lease 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 payment instrument agreed by the parties, within 60 days from the date of issue of the invoice. If the Lessee fails to fulfil its contractual obligations to pay the lease or fulfils them in an inappropriate manner, the Lessee undertakes to pay the Lessor overdue penalties equal to the level of overdue payments for fiscal duties established in compliance with applicable regulations effective at the

date thereof, calculated on the unpaid amount, starting from the first day after the due date.

- (c) The lease payment shall be made by the Lessee in the accounts specified 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 Lease, the Lessor shall have the following main obligations:

- (a) To ensure the Lessee's free and undisturbed usage of the Relevant Assets, protecting it 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 Relevant Assets;
- (c) Not to sell, transfer, encumber or benefit in any other way of the Relevant Assets, to obtain, maintain and renew, if the case may be, all the 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 Lease and the performance by the Lessee of the natural gas underground storage services and the operation of the Relevant 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 to fulfil 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) in force 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 supplements to and/or amendments of this Lease, in case the circumstances underlying this Lease changed.
- (c) To check the exploitation and the compliance with the operating procedure of the Relevant Assets provided in this Lease;

7. Obligations and Rights of the Lessee

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

- (a) to pay the Lessor the Lease Price within the deadline provided in this Lease;
- (b) to notify the Lessor regarding any change of the circumstances which led to the conclusion of this Lease and to duly initiate the amendment/supplementation/termination of this Lease;
- (c) not to use the Relevant Assets for reasons other than those for the performance of natural gas underground operations;
- (d) to use and operate the Relevant Assets efficiently and directly, in accordance with the operating procedures, for the purposes 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 Lease;
- (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 to the Relevant Assets resulting from its negligence;

7.2. The Lessee shall have the following main rights:

- (a) to freely and fully dispose of the leased Relevant Assets;
- (b) to use and operate the Relevant 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;
- (c) to be able to require the Lessor to make such amendments as may be deemed necessary with respect to this Lease in such a way that the Lessee is granted the rights necessary to exercise his rights and to fulfil his obligations set out under the Storage License, 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 can only be made by a written Addendum.
- 9.2 In the context of this Lease, *a change of circumstances* means the modification or introduction of new taxes, fees, changes in taxation or charge method, an increase/decrease in any existing taxes or fees, or the implementation of a 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 of this Lease. If there is a change in the circumstances, the Parties agree to renegotiate the terms.
- 9.3 None of the Parties may transfer or assign any of its rights or obligations set out in this Lease, without the prior express and written consent of the other Party. In such a case, the transferring Party shall remain fully liable to the other Party for the fulfilment of its obligations under this Lease.

10. Termination

- 10.1 This Lease shall terminate by law without the need to carry out any prior formalities, on the expiry date of the lease term.
- 10.2 The Lease may terminate at a date prior to the termination by law of the Lease, by consent of the Parties.
- 10.3 The Lease shall terminate on the date the procedure to increase the share capital of SNGN ROMGAZ S.A. – Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești S.R.L. is implemented (if the increase of the share capital of SNGN ROMGAZ S.A. – Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești S.R.L. is made before December 31, 2023).

11. Applicable Law. Settlement of Disputes.

- 11.1 This Lease is governed by and shall be interpreted in accordance with the laws of Romania.
- 11.2 The Parties shall endeavour to amicably settle any claim or dispute between them arising out of 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 settlement to the competent court.

12. Miscellaneous

- 12.1 Force Majeure
- (a) Any circumstances beyond the control of the Parties which arises after the execution of the Lease and which makes impossible, in whole or in part, the fulfilment of any obligation of either Party, shall be deemed as Force Majeure and shall hold harmless the Party invoking Force Majeure to the extent that such Party is unable to fulfil its obligations.

- (b) In order to be held harmless for non-fulfilment of its obligations, the Party invoking Force Majeure shall 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 its 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 of any agreement or document relating thereto, bearing in mind that this obligation shall not apply to the extent that:

- (i) the information is currently 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 only to such confidential information as is necessary to comply with the requirements of the court order, law or regulation;
- (iv) disclosure of the information is necessary for the purpose of defending the rights under this Lease; or
- (v) disclosure of the information to directors, agents, employees, representatives, advisers, lawyers or accounts is necessary in order to enable such persons to fulfil their obligations and these persons undertook the obligation to keep this information confidential.

12.3 Warranties

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

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 (facsimile, letter of acknowledgement of receipt, email etc.)

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

12.5 Counterparts

This Lease was concluded today, in 2 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 ÎNMAGAZINARE GAZE
NATURALE
DEPOGAZ PLOIEȘTI S.R.L.

CHIEF EXECUTIVE OFFICER
Răzvan POPESCU

DIRECTOR GENERAL
Vasile CÂRȘTEA

CHIEF FINANCIAL OFFICER
Andrei BOBAR

ECONOMIC DIRECTOR
Viorica Mariana IONESCU

DEPUTY CHIEF EXECUTIVE OFFICER
Aristotel Marius JUDE

LEGAL DEPARTMENT
Adrian Iancu AVRAM

Endorsed by
Preventive Financial Control

DIRECTOR OF LEGAL DEPARTMENT
Endre IOO

HEAD OF PATRIMONY OFFICE
Victor Cristian MARIAN

MECHANICAL DEPARTMENT
Cosmin ENESCU