

**The Company "REGISTERED" with
Agenția Servicii Publice (Public Services Agency)
Departamentul înregistrare și
licențiere a unităților de drept (Directorate for Registration of Legal Entities)**

IDNO _____

date _____

Registrar in the field of state registration

_____/_____

ARTICLES OF INCORPORATION OF ROMGAZ FURNIZARE M S.R.L.

I. GENERAL PRINCIPLES.

- 1.1. These Articles of Incorporation are drafted in accordance with the Civil Code of the Republic of Moldova No. 1107/2002 and Law No. 135/2007 on limited liability companies.
- 1.2. The full name of the Company is Romgaz Furnizare M S.R.L., hereinafter referred to as "Company".
- 1.2.1. The founder of the Company is Societatea Națională de Gaze Naturale „Romgaz” S.A., a Romanian legal entity registered at the Trade Register Office under no. J32/392/2001, fiscal code 14056826, as "associate" from the date of state registration of the Company.
- 1.3. The registered office of the Company is located in Chișinău, 70 Mihai Eminescu Street, MD-2012, Republic of Moldova.
- 1.4. The Company is a for-profit (commercial) legal entity of private law. The Company has distinct patrimony and is liable with its entire patrimony for its obligations, it may acquire and execute on its own behalf patrimonial and personal non-patrimonial rights, undertake obligations, it may be a plaintiff and a defendant in court.
- 1.5. According to its organisational-legal form, the Company is a limited liability company. The Company is deemed established and becomes a legal person from the date of state registration as provided. The Company has bank accounts. The company is entitled to have stamps with its name and logo.
- 1.6. The Company is incorporated for an unlimited period of time.
- 1.7. The Company is entitled to set up branches in the Republic of Moldova in accordance with the regulatory acts in effect and abroad in accordance with the legislation of the foreign state if the international treaty to which the Republic of Moldova is a party does not provide otherwise.

II. PURPOSE AND TYPE OF ACTIVITIES.

- 2.1. The Company is set up for the purpose of performing any gainful activity not prohibited by the law and which involves the manufacture of production, execution of works and provision of services, independently, on its own initiative, on behalf of the Company, at its own risk and under its patrimony liability by its bodies, to ensure the increase of its value. In order to carry out the undertaken tasks, the Company shall carry out the following types of activities:
 - Code CAEM 2 35.23, Sales of gaseous fuels through pipelines
 - Code CAEM2 35.21, Gas production
 - Code CAEM2 35.22, Distribution of gaseous fuels through pipelines
 - Code CAEM2 35.14, Electricity trading
 - Code CAEM2 35.11, Electricity generation
 - Code CAEM2 35.13, Electricity distribution

III. SHARE CAPITAL. SHARES.

- 3.1. The share capital of the Company is made up of the contributions of the associate and represents the minimum value of the assets that the Company must own, expressed in MDL.
- 3.2. At the date of Company incorporation, the share capital of the Company is MDL 1,000,000.
- 3.3. The share capital represents 1 (one) share owned by Societatea Națională de Gaze Naturale „ROMGAZ” S.A.
- 3.4. The share capital shall be fully paid no later than six months after the date of registration of the Company.
- 3.5. Contributions to the share capital may be in the form of goods including consumables, patrimony rights, rights on intellectual property objects and money. Work performed and services provided for the incorporation of the Company and during its existence cannot represent contributions to the establishment and increase of share capital.
- 3.6. The total amount of the contribution cannot be lower than the amount of the share capital.

- 3.7. Contribution in kind to the share capital of the Company includes any goods which may be acquired or disposed of pursuant to civil legal acts. Transmission of goods is considered transfer of title.
- 3.8. Contribution in kind made by the associate shall be evaluated by an independent evaluator and approved by the associate.
- 3.9. The associate cannot request reimbursement of its contribution paid in the share capital during the period of activity of the Company.
- 3.10. The Company issues a certificate to the associate confirming the ownership of the share and the amount of the share. The amount of the share is proportional to the contribution of the associate to the share capital.
- 3.11. Contributions of persons who become associates after the establishment of the Company shall be made pursuant to the law.
- 3.12. The share capital may be increased by:
 - a) Proportionally increasing shares from the net profit account of the Company or from the reserve capital and/or from other sources;
 - b) additional contributions paid in by the associate and/or third parties who became associates;
 - c) converting the monetary liability of the Company into shares.
- 3.13. The share capital may be reduced by reducing the nominal value of the share.
- 3.14. The Company shall reduce its share capital if:
 - a) Upon the expiry of the six months from the date of its state registration, the associate fails to fully pay the subscribed contribution;
 - b) Upon the expiry of the second year and of each following financial year, the value of net assets of the Company is lower than the share capital and the associate fails to cover the losses.
- 3.15. In the case referred to in 3.14. the associate shall decide to reduce the share capital to the value of net assets established pursuant to the legal provisions.
- 3.16. The shares acquired in the Company during marriage and owned by spouses are subject to the legal regime of the undivided joint property unless the marriage agreement provides otherwise. The spouse of the associate cannot claim division of shares nor to be part of the Company.

IV. RESERVE CAPITAL. ADDITIONAL CONTRIBUTIONS.

- 4.1. Company is required to establish a reserve capital of at least 10% of the share capital. The Company's reserve capital is established by annual distributions from the net profit of at least 5% from the net profit until reaching the established size. In case the value of Company's net assets is reduced below the share capital or the reserve capital, payments to the reserve capital are resumed.
- 4.2. Company's reserve capital may only be used to cover losses or to increase its share capital.
- 4.3. The associate can make additional contributions to cover Company's losses or in case such contributions are temporarily required. A resolution on payment of additional contributions does not lead to the increase of share capital.

V. COMPANY BODIES.

- 5.1. Company has an internal organization structure consisting of an upper decision body, an executive body and a control body, namely:
 - **General meeting (sole associate resolution);**
 - **Administrator;**
 - **Censor.**

VI. GENERAL MEETING (SOLE ASSOCIATE RESOLUTION).

- 6.1. The following items are the sole associate's exclusive competence:

- a) Amendment and supplementation of the Articles of Incorporation, including its adoption in a new wording;
- b) Changes in the share capital value;
- c) Approval of results of in kind contribution to the share capital;
- d) Appointment of censor, discharge of duties prior to term;
- e) Legal pursuit of censor for any prejudice caused to the Company;
- f) Approval of censor's reports, examination of auditor's report;
- g) Reviewing annual financial statements;
- h) Adopting the resolution on profit distribution, including dividend payment or coverage of losses;
- i) Adopting a resolution on company reorganization and approval of merger agreement or dismantling project;
- j) Adopting the company wind-up resolution, appointment of liquidator and approval of liquidating balance;
- k) Approval of size and establishment method for the company's funding;
- l) Approval of size and payment method for censor's remuneration;
- m) Approval of concluding contracts whereby the Company transfers title on property or rights, free of charge, to third parties, including the associate;
- n) Establishing the Company's branches;
- o) Approval of establishing other legal persons;
- p) Approval of participating as co-founder in the establishment of other legal persons;
- q) Appointment and discharge prior to term of administrator;
- r) Approval of administrator's annual report;
- s) Legal pursuit of administrator for any prejudice caused to the Company;
- t) Approval of size and payment method for administrator's remuneration;
- u) Approval of Company's business plan;
- v) Approval of Company's internal rules and regulations;
- w) Approval of concluding legal documents and other operations between the administrator, on one hand, and the Company, on the other hand, except for those not exceeding 1% of the value of the Company's assets according to the latest financial statements.

6.2. The associate's resolutions are drawn-up in writing, as the case may be.

VII. ADMINISTRATOR

- 7.1. The Company's current activities conducted by an Administrator.
- 7.2. Administrator can be a natural person with full exercise capacity to whom the law or a court order did not prohibit to hold the position as administrator or any other position which grants the right to dispose over material goods, and who has no outstanding criminal records for crimes against patrimony, economic crimes, crimes committed by people in management positions or by people handling commercial enterprises.
- 7.3. Administrator is required to act according to articles 85-191 of the Civil Code of Republic of Moldavia.
- 7.4. Administrator is entitled to:
 - a) Manage the Company to the extent of scope provided in the Articles of Incorporation and of associate's resolution;
 - b) To represent the Company without any mandate in its relations with the state bodies, third parties and courts of law;
 - c) To grant mandate to other people to carry out specific action for and on behalf of the Company;
 - d) To exercise any other mandates granted by the associate.
- 7.5. The administrator shall:
 - a) manage the Company so that the purposes for which it was established are achieved as efficiently as possible;

- b) execute the decisions of the associate;
 - c) keep accounting of the Company, as well as Company registers and shall inform the associate on the Company's status and management;
 - d) show diligence and loyalty in the performance of his/her duties;
 - e) inform the associate if the value of Company's net assets is less than the share capital;
 - f) in case of signs of insolvency, the administrator shall immediately, but no later than one month, file an application for insolvency proceedings if the associate shall not cover the losses;
 - g) comply with the limits of the powers of attorney set by the associate.
- 7.6. The administrator prepares annually a report on the activity of the Company, the inventory of Company's goods and other documents, to be presented to the associate. The administrator may be compelled to present other periodic reports.
- 7.7. The Company's administrator bears full material liability for the prejudice caused by him to the Company, including for illegal payments made to the associate or by making or not making payments breaching legal provisions and provisions of this articles of incorporation.

VIII. THE CENSOR

- 8.1. A censor is appointed to control the Company's management and the activity of the administrator, for a period of 3 years.
- 8.2. The following persons can not be censors:
- a) the administrator;
 - b) persons affiliated to the administrator;
 - c) employees of the company's accounting;
 - d) persons indicated at point 7.2.
- 8.3. The censor periodically exercises control over the management of the Company on his own initiative or at the request of the associate. The censor shall control the economic financial activity of the Company at the end of the financial year, verifying the financial statements and performing other actions necessary for the objective evaluation of the company's management.
- 8.4. The censor prepares a report related to each control. The censors' reports shall be presented to the associate.
- 8.5. The censor shall inform the associate on facts that breach the law or this articles of incorporation that caused or may cause prejudices to the Company.
- 8.6. The administrator is obliged to make available to the censor, all documents required to perform the control.
- 8.7. The censor shall be liable for the prejudice caused to the Company or to the associate by non-fulfilment or inappropriate fulfilment of his obligations. The censor shall be liable within 3 years from the date of drawing up the audit report which has caused damage to the Company.

IX. RIGHTS AND OBLIGATIONS OF THE ASSOCIATE.

- 9.1 The Company's associate has the right:
- a) To participate in the management of the Company in compliance with legal provisions and with the articles of incorporation;
 - b) To be informed on the Company's activity;
 - c) To exercise control on the Company's management;
 - d) To sell or to purchase shares, subject to the law;
 - e) To request dissolution of the Company;
 - f) To participate in the distribution of the net profit and to receive dividends approved by the general meeting;
 - g) To receive, in the event of Company winding up, the value of a part of its patrimony remaining after settlement with its creditors and employees;

- h) To receive information on the Company's activity;
 - i) To examine annual financial statements, taking note of accounting records and of other documents of the Company, by himself or with the help of an expert, to request explanations from Company's bodies after presenting annual financial statements, to receive copies of annual financial statements.
- 9.2 The Associate shall:
- a) pay the contribution to the share capital in the amount, in the manner and within the time limits laid down in the articles of incorporation;
 - b) shall not disclose the Company's confidential information;
 - c) immediately inform the Company on the change of residence or of headquarters, of the name, other information required by the Company to exercise the rights and to fulfil obligations.

X. MANNER FOR PURCHASING AND SELLING SHARES.

- 10.1. The associate shall not sell shares until the subscribed contribution is paid in full, except in case of succession.
- 10.2. Shares are divisible.
- 10.3. In the event of reorganisation of the associate – legal person, or in the event of the associate's decease – natural person, the associate's rights and obligations in the Company pass on to the rightful successors (heirs). If the rightful successors (heirs) relinquish their participating interest as associate of the Company, the shares shall be alienated in compliance with effective laws.
- 10.4. Other matters regarding the share capital and the selling of shares are regulated by the legislation in force.

XI. NET PROFIT DISTRIBUTION AND INVESTMENT.

- 11.1. The Company distributes annually the net profit remained after paying taxes and other mandatory payments. The associate adopts the resolution for determining the net profit share to be distributed. The share of the net profit distributed to the associate constitutes a dividend.
- 11.2. The Company distributes the net profit and pays annual or intermediate dividends (quarterly or half-yearly). Payment of intermediate dividends is made subject to interim financial statements resulting in sufficient funds available. The amount of annual/intermediate dividends cannot exceed the amount of the net profit at the end of the financial year, adding the profit not distributed from previous years, decreasing losses from previous years and amounts set up as reserve capital. Annual dividends shall not be less than the approved intermediate dividends.
- 11.3. Dividends shall be paid in money, within 30 days from the date of adopting the resolution on dividend distribution if the associate did not set another term.
- 11.4. Obligations of the Company related to dividend payment arise on the date of adopting the resolution on their payment.
- 11.5. The Company is not entitled to guarantee payment of dividends.
- 11.6. The associate shall be informed on the resolution related to payment of dividends not later than 7 business days from the date of its adoption and may be made public in the manner determined by the associate.
- 11.7. Dividends which have not been received by the associate by his fault within 3 years from the date of expiry of the dividend payment deadline, communicated under the conditions mentioned in point 11.6., shall be transferred to the income of the Company and may not be claimed.
- 11.8. The company is not entitled to adopt resolutions on net profit distribution:
 - a) until the contribution is fully paid;
 - b) if, after distribution of the net profit, the value of Company's net assets is less than the share capital and the reserve capital.

- 11.9. The company is not entitled to pay dividends to an associate if, at the time of payment, it is insolvent or may become insolvent as a result of payment of dividends.
- 11.10. If the circumstances referred to at points 11.8 and 11.9 cease to exist, the Company shall pay the net profit which was decided to be distributed by the associate.
- 11.11. Dividends paid against rules set at points 11.8 and 11.9, are reimbursed to the Company.
- 11.12. The Company shall not grant loans to the associate or to third parties for purchasing shares.

XII. COMPANY REORGANISATION.

- 12.1. Company reorganisation shall be made by merger (merger and absorption), dismemberment (division and separation) or transformation under the conditions provided for by the Civil Code, Law no. 135/2007 on limited liability companies. When the Company is reorganized, its rights and obligations are taken over by the legal successor.

XIII. SUSPENDING THE COMPANY'S ACTIVITY.

- 13.1. By decision of the associate, the Company may temporarily suspend its activity for a period not exceeding three years if it has no debts to the national public budget and to other creditors. During the suspension period of the Company's activity, it shall be forbidden to carry out any entrepreneurial activities.

XIV. WINDING UP AND LIQUIDATION OF THE COMPANY.

- 14.1. The Company shall be wound up and liquidated in accordance with Law No.135/2007 on limited liability companies, by the Civil Code and other laws.

XV. FINAL PROVISIONS.

- 15.1. Disputes related to conclusion, execution, amendment and termination or other claims arising from this articles of incorporation, shall be previously submitted to an amicable settlement procedure.
- 15.2. Disputes that cannot be settled amicably shall fall within the jurisdiction of the courts authorized by the legislation in force. If registration of the Company has not taken place within 3 months from the approval date of the Articles of Incorporation, the founder of the Company shall be discharged from the obligations resulting from his shares.

This articles of incorporation is prepared in 2 (two) original copies, both having the same legal power.

Founder:

Signature:
