



The Articles of Incorporation of Societatea Nationala "Nuclearelectrica" S.A. with the amendments recorded until the date of 20.05.2019

Company's Name

Art. 1 (1) The name of the company is Societatea National "Nuclearelectrica" S.A. (hereinafter called "Nuclearelectrica" or the "Company").

(2) All invoices, offers, orders, tariffs, leaflets and any other document used in business, trading, issued by Societatea Nationala Nuclearelectrica S.A. shall indicate the name, legal form, registered office, sole registration code, registration number with the Trade Registry Office and the share capital out of which the actual paid capital, as per the latest approved financial statements.

Company's legal form

Art. 2 (1) Societatea Nationala "Nuclearelectrica"- S.A. is a Romanian legal person having a legal form of joint-stock company.

(2) This shall operate in compliance with the Romanian laws and with these Articles of Incorporation.

The company's headquarters

Art. 3 (1) Societatea Nationala "Nuclearelectrica" S.A. has its headquarters in Bucharest, 65 Polona Street, district 1.

(2) Societatea Nationala "Nuclearelectrica" S.A. has two branches, as follows: Branch "CNE Cernavoda (the Cernavoda NPP)", having its headquarters in Constanta County, the Cernavoda town, 1 Medgidiei Street, and Branch "FCN Pitesti (Nuclear Fuel Plant)", located in Arges county, town of Pitesti, 1 Campului Street.

(3) The company may set up other types of subunits that are not legal persons (other branches, agencies, representation offices, working points, local offices, etc.) or branches located in the same place/town and/or in other places/towns in the country and/or abroad, as per the law provisions, with the approval of the Extraordinary General Meeting of Shareholders.

The duration of the company

Art.4 The duration of the company is unlimited, starting with the registration date of the company with the Trade Registry Office.

Societatea Nationala NUCLEARELECTRICA S.A.

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Chapter 2

The purpose and object of activity

The purpose and object of activity

Article 5 (1) Nuclearelectrica's purpose is the generation and sale of electricity, by carrying out, in compliance with the current legislation, trading actions as per its object of activity approved by these Articles of Incorporation.

(2) The main object of activity: CAEN code 351 – Production, transport and distribution of electricity

(3) The main activity of the company: CAEN code 3511 – Production of electricity

(4) The company also carries out the following activities:

Cod CAEN – 0162 Support activities for animal production

Cod CAEN – 0240 Support services to forestry

Cod CAEN – 0721 Mining of uranium and thorium ores

Cod CAEN – 0990 Support activities for other mining and quarrying

Cod CAEN – 1071 Bread production; Pastry production;

Cod CAEN – 1072 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes

Cod CAEN – 1085 Manufacture of prepared meals and dishes ;

Cod CAEN – 1089 Manufacture of other food products

Cod CAEN – 1610 Sawmilling and planing of wood

Cod CAEN – 1622 Manufacture of assembled parquet floors

Cod CAEN – 1623 Manufacture of other builders' carpentry and joinery

Cod CAEN – 1624 Manufacture of wooden containers

Cod CAEN – 1629 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials

Cod CAEN – 1723 Manufacture of paper stationery ;

Cod CAEN – 1812 Other printing

Cod CAEN – 1813 Pre-press and pre-media services

Cod CAEN – 1814 Binding and related services

Cod CAEN – 1820 Reproduction of recorded media

Cod CAEN – 2011 Manufacture of industrial gases

Cod CAEN – 2013 Manufacture of other inorganic basic chemicals

Cod CAEN – 2120 Manufacture of pharmaceutical preparations

Cod CAEN – 2369 Manufacture of other articles of concrete, plaster and cement

Cod CAEN – 2433 Cold forming or folding

Cod CAEN – 2446 Processing of nuclear fuel

Cod CAEN – 2511 Manufacture of metal structures and parts of structures

Cod CAEN – 2512 Manufacture of doors and windows of metal

Cod CAEN – 2550 Forging, pressing, stamping and roll-forming of metal

Cod CAEN – 2561 Treatment and coating of metals

Cod CAEN – 2562 Machining

Cod CAEN – 2571 Manufacture of cutlery

Cod CAEN – 2592 Manufacture of light metal packaging

Cod CAEN – 2593 Manufacture of wire products, chain and springs

Cod CAEN – 2594 Manufacture of fasteners and screw machine products

Cod CAEN – 2599 Manufacture of other fabricated metal products n.e.c

Cod CAEN – 2812 Manufacture of hydraulic engines ;

Cod CAEN – 2813 Manufacture of other pumps and compressors;

Cod CAEN – 2815 Manufacture of bearings, gears, gearing and driving elements
 Cod CAEN – 2822 Manufacture of lifting and handling equipment
 Cod CAEN – 3299 Other manufacturing n.e.c.
 Cod CAEN – 3311 Repair of fabricated metal products
 Cod CAEN – 3312 Repair of machinery
 Cod CAEN – 3319 Repair of other equipment ;
 Cod CAEN – 3320 Installation of industrial machinery and equipment ;
 Cod CAEN – 3513 Distribution of electricity;
 Cod CAEN – 3514 Trade of electricity;
 Cod CAEN – 3530 Steam and air conditioning supply ;
 Cod CAEN – 3600 Water collection, treatment and supply ;
 Cod CAEN – 3700 Waste collection, and treatment activities;
 Cod CAEN – 3811 Collection of non-hazardous waste;
 Cod CAEN – 3821 Treatment and disposal of non-hazardous waste ;
 Cod CAEN – 3822 Treatment and disposal of hazardous waste
 Cod CAEN – 3831 Dismantling of wrecks and materials recovery
 Cod CAEN – 3832 Recovery of sorted materials;
 Cod CAEN – 3900 Decontamination activities and services;
 Cod CAEN – 4110 Development of building projects ;
 Cod CAEN – 4120 Construction of residential and non-residential buildings;
 Cod CAEN – 4211 Construction of roads and motorways, sporting facilities ;
 Cod CAEN – 4212 Construction of railways and underground railways ;
 Cod CAEN – 4213 Construction of bridges and tunnels;
 Cod CAEN – 4221 Construction of utility projects for fluids ;
 Cod CAEN – 4291 Construction of water projects;
 Cod CAEN – 4299 Construction of other civil engineering projects n.e.c.
 Cod CAEN – 4311 Demolition;
 Cod CAEN – 4312 Site preparation;
 Cod CAEN – 4321 Electrical installation ;
 Cod CAEN – 4322 Plumbing, heat and air-conditioning installation;
 Cod CAEN – 4329 Other construction installation ;
 Cod CAEN – 4331 Plastering ;
 Cod CAEN – 4332 Joinery installation ;
 Cod CAEN – 4333 Floor and wall covering;
 Cod CAEN – 4334 Painting and glazing ;
 Cod CAEN – 4339 Other building completion and finishing ;
 Cod CAEN – 4391 Roofing activities ;
 Cod CAEN – 4399 Other specialised construction activities n.e.c.
 Cod CAEN – 4511 Sale of cars and light motor vehicles (under 3,5 tons);
 Cod CAEN – 4519 Sale of other motor vehicles;
 Cod CAEN – 4520 Maintenance and repair of motor vehicles
 Cod CAEN – 4662 Wholesale of machine tools ;
 Cod CAEN – 4677 Wholesale of waste and scrap ;
 Cod CAEN – 4721 Retail sale of fruit and vegetables in specialised stores ;
 Cod CAEN – 4725 Retail sale of beverages in specialised stores;
 Cod CAEN – 4729 Other retail sale of food in specialised stores ;
 Cod CAEN – 4931 Urban and suburban passenger land transport;
 Cod CAEN – 4939 Other passenger land transport n.e.c. .;
 Cod CAEN – 4941 Freight transport by road ;
 Cod CAEN – 4942 Removal services ;
 Cod CAEN – 5030 Inland passenger water transport ;

Cod CAEN – 5040 Inland freight water transport ;
Cod CAEN – 5210 Warehousing and storage
Cod CAEN – 5222 Service activities incidental to water transportation ;
Cod CAEN – 5224 Cargo handling
Cod CAEN – 5320 Other postal and courier activities ;
Cod CAEN – 5510 Hotels and similar accommodation;
Cod CAEN – 5520 Holiday and other short-stay accommodation
Cod CAEN – 5530 Camping grounds, recreational vehicle parks and trailer parks ;
Cod CAEN – 5590 Other accommodation ;
Cod CAEN – 5610 Restaurants
Cod CAEN – 5621 Event catering activities
Cod CAEN – 5629 Other food service activities;
Cod CAEN – 5811 Book publishing ;
Cod CAEN – 5812 Publishing of directories and mailing lists
Cod CAEN – 5813 Publishing of newspapers ;
Cod CAEN – 5814 Publishing of journals and periodicals ;
Cod CAEN – 5819 Other publishing activities;
Cod CAEN – 5821 Publishing of computer games ;
Cod CAEN – 5829 Other software publishing;
Cod CAEN – 5920 Sound recording and music publishing activities;
Cod CAEN – 6010 Radio broadcasting ;
Cod CAEN – 6020 Television programming and broadcasting activities ;
Cod CAEN – 6110 Wired telecommunications activities;
Cod CAEN – 6120 Wireless telecommunications activities;
Cod CAEN – 6130 – Satellite telecommunications activities;
Cod CAEN – 6190 Other telecommunications activities;
Cod CAEN – 6201 Computer programming activities;
Cod CAEN – 6202 IT consultancy activities ;
Cod CAEN – 6203 Computer facilities management activities ;
Cod CAEN – 6209 Other information technology and computer service activities ;
Cod CAEN – 6311 Data processing, hosting and related activities ;
Cod CAEN – 6399 Other information service activities n.e.c.;
Cod CAEN – 6420 Activities of holding companies;
Cod CAEN – 6810 Buying and selling of own real estate ;
Cod CAEN – 6820 Renting and operating of own or leased real estate;
Cod CAEN – 6832 Management of real estate on a fee or contract basis
Cod CAEN – 7010 Activities of head offices;
Cod CAEN – 7021 Public relations and communication activities;
Cod CAEN – 7022 Business and other management consultancy activities;
Cod CAEN – 7111 Architectural activities;
Cod CAEN – 7112 Engineering activities and related technical consultancy;
Cod CAEN – 7120 Technical testing and analysis;
Cod CAEN – 7211 Research and experimental development on biotechnology ;
Cod CAEN – 7219 Other research and experimental development on natural sciences and engineering ;
Cod CAEN – 7220 Research and experimental development on social sciences and humanities ;
Cod CAEN – 7311 Advertising agencies;
Cod CAEN – 7312 Media representation;
Cod CAEN – 7320 Market research and public opinion polling;
Cod CAEN – 7410 Activitati de design specializat;
Cod CAEN – 7420 Specialised design activities;

Cod CAEN – 7430 Translation and interpretation activities ;
 Cod CAEN – 7490 Other professional, scientific and technical activities n.e.c. . ;
 Cod CAEN – 7711 Renting and leasing of cars and light motor vehicles;
 Cod CAEN – 7712 Renting and leasing of trucks
 Cod CAEN – 7734 Renting and leasing of water transport equipment ;
 Cod CAEN – 7739 Renting and leasing of other machinery, equipment and tangible goods
 n.e.c.
 Cod CAEN – 7740 Leasing of intellectual property and similar products (except financial)
 Cod CAEN – 7810 Activities of employment placement agencies;
 Cod CAEN – 7820 Temporary employment agency activities ;
 Cod CAEN – 7830 Other human resources provision;
 Cod CAEN – 7990 Other reservation service and tourist activities ;
 Cod CAEN – 8020 Security systems service activities;
 Cod CAEN – 8110 Combined facilities support activities ;
 Cod CAEN – 8121 General cleaning of buildings;
 Cod CAEN – 8122 Other building and industrial cleaning activities
 Cod CAEN – 8129 Other cleaning activities;
 Cod CAEN – 8211 Combined office administrative service activities;
 Cod CAEN – 8219 Photocopying, document preparation and other specialised office support
 activities ;
 Cod CAEN – 8230 Organisation of conventions and trade shows ;
 Cod CAEN – 8291 Activities of collection agencies and credit bureaus
 Cod CAEN – 8292 Packaging activities ;
 Cod CAEN – 8299 Other business support service activities n.e.c
 Cod CAEN – 8425 Fire service activities;
 Cod CAEN – 8532 Technical and vocational secondary education ;
 Cod CAEN – 8551 Sports and recreation education;
 Cod CAEN – 8552 Cultural education
 Cod CAEN – 8559 Other education n.e.c.
 Cod CAEN – 8560 Educational support activities;
 Cod CAEN – 9312 Activities of sport clubs ;
 Cod CAEN – 9319 Fitness facilities ;
 Cod CAEN – 9329 Other amusement and recreation activities;
 Cod CAEN – 9411 Activities of business and employers membership organisations ;
 Cod CAEN – 9412 Activities of professional membership organisations;
 Cod CAEN – 9511 Repair of computers and peripheral equipment ;
 Cod CAEN – 9601 Washing and (dry-)cleaning of textile and fur products

The change of the object of activity

Article 6 "The change of the object of activity of Societatea Nationala "Nuclearelectrica" S.A. shall be implemented through the resolution of the Board of Directors, except the change of the main scope of activity and/or of the main activity of the Company, which shall be made only by the resolution of the Extraordinary General Meeting of Shareholders, under legal conditions and in compliance with the laws

Chapter 3
Share capital, shares and bonds

Share capital

Art. 7 (1) The share capital of the Company is **3.015.138.510** lei, fully subscribed and paid by the Company's shareholders. The share capital is divided into **301.513.851** nominative shares, issued in dematerialized form, having a nominal value of 10.00 lei each.

(2) The company's share capital is owned by the following shareholders, as follows:

- a) The Romanian State, through the Ministry of Energy (the appropriate Ministry, or its successors, according to law) owns a total of **248.736.619** shares with a total value of **2.487.366.190** lei corresponding to a quota of **82,4959 %** of the share capital of the Company;
- b) S.C. Fondul Proprietatea S. A. owns a total of **27.408.381** shares with a total value of **274.083.810** lei, which corresponds to a quota of **9,0903 %** of the share capital of the company;
- c) Other shareholders, Romanian and foreign natural and legal persons own a total of **25.368.851** shares with a total value of **253.688.510 lei**, representing a quota of **8.4138 %** of the share capital of the company.

(3) The identification data of each shareholder, each shareholder's contribution to the share capital, the number of shares and the participation in the share capital to which each shareholder is entitled to are contained in the Shareholders' Register held in the computerized system of the Central Depository.

(4) The rights and obligations related to Nuclearelectrica's share capital for the share capital quota held by the Romanian state, are exercised in the name and on behalf of the Romanian State, by the appropriate ministry, to whose authority the Company is reporting.

The decrease or increase of the share capital

Art. 8 (1) The share capital may be reduced or increased based on the resolution of the Extraordinary General Meeting of Shareholders, under legal conditions and in compliance with the procedures provided by law.

(2) The share capital may be increased by:

- a) new cash and/or in-kind contributions, as per law provisions;
- b) incorporation of reserves, excluding the favorable differences resulting from the revaluation of the patrimony and legal reserves as well as of the profits or share issue premiums;
- c) compensation of some liquid and exacted debts from Nuclearelectrica with its shares;
- d) other sources determined by the General Meeting of Shareholders as per law provisions.

(3) The shares issued for the share capital increase shall be offered for subscription firstly to the existing shareholders, proportionally to the number of shares they hold, granting them, for this purpose, a pre-emption right to subscribe for newly issued shares. The pre-emption right shall be exercised in accordance with the capital market legislation.

(4) The share capital may be reduced by:

- a) reducing the number of shares;
- b) reducing the nominal value of the shares;
- c) acquisition of own shares, followed by their annulment;
- d) any other procedures regulated by law.

(5) If the Board of Directors finds out that, following some losses established by the approved annual financial statements, the company's net assets, calculated as the difference between the company's total assets and its total liabilities, has declined to less than half of the subscribed share capital, it shall soon convene the Extraordinary General Meeting of Shareholders to decide whether the company should be dissolved. In case the dissolution is not decided, the company shall, by the end of the financial year subsequent to that one in which the losses were determined, reduce the share capital by an amount at least equal to that of the losses which could not be covered by reserves, if during this period of time the net assets of the Company were not reconstituted to a value at least equal to half of the share capital.

(6) The share capital reduction will be possible only two months after the date of the publication in the Official Gazette of Romania, Part IV, of the Resolution of the Extraordinary General Meeting of Shareholders, as per law provisions.

(7) In compliance with art. 220¹ of Law no. 31/1990, The Board of Directors is authorized, on three-year period, to increase the share capital by issuing new shares in exchange for the shareholders' contribution, up to a value of the authorized capital of **3.015.427.983 lei** representing:

-The contribution in kind of the Romanian State, represented by the Ministry of Energy, as a result of obtaining the property right certificate no. 6899/12.10.2001 issued by the Ministry of Industry and Resources on the land with a surface of 34 170,15 mp located on 23 Energiei Street, Cernavoda; the value of the land representing contribution in kind will be established by independent experts appointed by the Commerce Register Office in compliance with art. 215 of Law no. 31/1990 by updating the value of the land from the moment of forwarding the documentation with the inflation index in compliance with art. 6 of GO no. 834/1991 corroborated with art. 143 of GO no. 577/2002;

-The contribution in cash of the other shareholders within the exercise of the preemptive rights in exchange for the contribution in kind of the Romanian State through the Ministry of Energy. The Decision of the Board of Directors for the share capital increase is to be published in the Official Gazette of Romania, part IV.

The shares

Art. 9 (1) The Company's shares are nominative shares, of equal values and are issued in dematerialized form by their registration in the account and they grant equal rights to their holders.

(2) The nominal value of a share is of 10 lei.

(3) The shares are indivisible with respect to Nuclearelectrica that does not recognize but one owner for each action. When one action gets owned by several persons, Nuclearelectrica and / or the Central Depository is not obligated to register the transfer as long as those persons will not appoint a sole representative to exercise the share-related rights.

(4) The Company's shares may be encumbered with a usufruct right or may be pledged as per law provisions.

(5) The Company's shares are freely transferable and the Company may acquire its own shares in compliance with the laws.

(6) In compliance with the laws, through the resolution of the Extraordinary General Meeting of Shareholders, preferred shares may be issued, with priority dividend, without the right to vote.

Bonds

Art. 10 The Company is authorized to issue bonds as per law provisions.

Shares-related rights and obligations

Article 11 (1) Each share subscribed and paid by the shareholders provides equal rights and gives them the right to vote in the General Meeting of Shareholders, the right to elect and to be elected for the governing bodies, the right to participate in profit distribution, as per the provisions of these Articles of Incorporation and as per laws, as well as other rights provided by these Articles of Incorporation and by legal provisions in force.

- (2) Owning of a share certifies the legal compliance with the provisions of the Articles of Incorporation.
- (3) The rights and obligations related to shares follow the shares whenever transferred to other people's property.
- (4) When a nominative share gets owned by more persons, its transfer shall not be registered unless these persons designate a sole representative who shall exercise the legal rights of the shareholders.
- (5) The obligations of the Company are guaranteed with its share capital and the shareholders are liable within the limit of the value of the shares they hold.
- (6) The company's patrimony cannot be encumbered with debts or other personal obligations of the shareholders.
- (7) Shareholders are entitled to a complete and correct information in the general meeting of shareholders on the Company's status. In case new shares are issued, the existing shareholders have the pre-emption right to subscribe, as per law provisions, proportionally to the percentage of shares held by the Company.

Shares transfer

- Art. 12** (1) The shares are indivisible with respect to the Company that recognizes only one owner for each share.
- (2) The partial or total transfer of shares between shareholders or to third parties shall be performed as per legal conditions and procedures.
- (3) The transactions with the Company's shares are carried out in compliance with the laws in force applicable to the organized securities markets.

Chapter 4 The General Meeting of Shareholders

The Responsibilities of the General Meeting of Shareholders

- Art. 13** (1) The General Meetings of Shareholders may be Ordinary and Extraordinary.
- (2) The main responsibilities of the **General Meeting of Shareholders** are:
- a) to discuss, approve or amend the annual financial statements after reviewing the reports of the Board of Directors and of the financial auditor;
 - b) to determine the distribution of the net profit and dividends;
 - c) to appoint and dismiss the members of the Board of Directors;
 - d) to appoint and dismiss the financial auditor and to set the minimum duration of the financial audit contract;
 - e) to set the general limits of the remuneration of the CEO and of the Managers;
 - f) to determine the remuneration of the Board members and the terms and conditions of the mandate contract concluded with the members of the Board of Directors
 - g) to decide on the management of the Board members
 - h) to approve the Company's development strategy and policies;
 - i) to establish the annual budget for the following financial year;
 - j) to decide on the pledge, lease or termination of one or more of the company's units;
 - k) to approve the Board's reports on the developed activities;
 - l) to analyze and solve other problems submitted by the Board of Directors.
- (3) **The Extraordinary General Meeting of Shareholders** has the right to decide on:
- a) the change of the company's legal form;

- b) the relocation of the company's headquarters;
- c) the change of the company's scope and main activity;
- d) the establishment or dissolution of secondary offices: branches, agencies, representation offices or other such non-legal person units;
- e) the increase, decrease or recompletion of the share capital by issuing new shares;
- f) the Company's merger with other companies or on the split;
- g) the Company's anticipated dissolution;
- h) the issuance of bonds;
- i) the conversion of shares from one class to another;
- j) the conversion of a category of bonds or shares in another category;
- k) the cancellation of the preference right of the shareholders to subscribe new shares issued by the Company;
- l) the authorization of purchasing by the Company of its own shares and the identification of the terms of this acquisition, in particular the maximum number of shares to be purchased, and, in the case of onerous acquisition, their minimum and maximum value and the operation period, in compliance with the law; the identification of the method of transfer of the own shares acquired by the company;
- m) the execution of any agreement/document entailing binding obligations upon the Company (documents of acquisition, transfer, exchange or pledge of some assets classified as fixed assets of the Company) whose value exceeds, individually or cumulatively during a financial year, 20% of the total accounting value of the Company's fixed assets minus the debts;
- n) the rental of physical assets for a period longer than one year, whose value, individually or cumulatively, compared to the same co-contractor or involved persons, exceeds 20% of the total value of the fixed assets, less the debts on the closing date of the legal document, as well as the partnership/associations for a period longer than one year, exceeding the same value;
- o) the approval of the annual percentage of the profit of the Company to be taken over to constitute the reserve fund, as per law provisions, as well as the participation in the Company's profit of the company's administrators, Chief Executive Officer and Managers, as appropriate, as well as of the Company's employees, establishing the participation financial conditions for each financial year;
- p) the approval of any other amendment to the Articles of Incorporation of any other resolution that requires the approval of the Extraordinary General Meeting of Shareholders.
- q) the approval of the mandate of Nuclearelectrica's representatives in the General Meeting of Shareholders of the shareholders of S.C. EnergoNuclear S.A. for:
 - (i) the change of the share capital of S.C. EnergoNuclear S.A.;
 - (ii) the change of Nuclearelectrica's participation in the share capital of S.C. EnergoNuclear S.A.;
 - (iii) the dissolution and liquidation S.C. EnergoNuclear S.A.;
 - (iv) the performance of any investment by S.C. Energonuclear S. A. exceeding 50,000,000 euro (fifty million euro) with respect to a single transaction and /or exceeding 50,000,000 euro (fifty million euro) cumulated with other transactions in any financial year;
 - (v) the concluding by S.C. EnergoNuclear S. A. of any contract involving expenditures or the assuming of any important obligation by S.C. EnergoNuclear S. A. exceeding 50,000,000 euro (fifty million euro), individually or cumulatively, in one single financial year;
 - (vi) any actual or proposed sale, any other transfer of any assets or rights of S.C. EnergoNuclear S.A., any actual or proposed purchase of any assets or rights by S.C. EnergoNuclear S.A. exceeding the aggregate amount of 50,000,000 euro (fifty million euro);
 - (vii) the contracting by S.C. EnergoNuclear S. A. of any types of loans or debts or obligations of the loan type with a value that exceeds 50,000,000 euro (fifty million euro);

(4) In addition to the competence, powers and duties, responsibilities specified in paragraph 3 above or established by law, the Extraordinary General Meeting of Shareholders decides on the following issues:

a) termination by the Company of any contract, assuming any obligation or commitment that may involve expenses or assuming any other significant obligations by the Company, within the competence limits provided in Appendix no. 1 to these Articles of Incorporation;

b) raising by the Company of any types of loans or incurring debts or liabilities of the loan type within the competence limits provided in Appendix no. 1 to these Articles of Incorporation;

c) the setting up or the participation in the setting up of some companies as provided by the company's law no. 31/1990 or of other associations and foundations regulated by OG no. 26/2000 regarding the activity of associations and foundations.

Convening the General Meeting of Shareholders

Art. 14 (1) The General Meeting of Shareholders is convened by the Board of Directors.

(2) the GMS may be convened in the following situations: (i) as frequent as the case may be following the decision of the Board of Directors, by the President of the Board of Directors or by a member of the BoD, on the basis of a power of attorney from the President;

(ii) at the request of the shareholders representing, individually or together, at least 5% of the share capital, and if the request contains subjects that fall under the attributions of the GMS.

The Board of Directors will convene at once the GMS at the request of shareholders in compliance with the above mentioned article, within at most 30 days and the meeting will take place within at most 60 days since the registration date of the request.

(2) The Ordinary General Meetings of Shareholders are held at least once a year, within maximum four (4) months after the financial year end, in order to examine the financial statements and the annual report of the Bod for the previous year and to establish the budget for the current year.

(3) The convening term of the meeting shall be within minimum 30 days after the publication of the Convening Notice in Romania's Official Gazette, Part IV;

(4) The General Meeting of Shareholders, either ordinary or extraordinary, shall be convened whenever it is necessary, in compliance with the legal provisions and with the provisions of the Articles of Incorporation, through the publication of the Convening Notice in Romania's Official Gazette, Part IV, and in a national daily newspaper or in a wide circulation newspaper in the town where the Company's headquarters is located within at least 30 days before the set date.

The 30 day deadline is not applicable for the second convening notice caused by not meeting the quorum, in compliance with the legal provisions.

(5) The Convening Notice shall contain at least the place, time and date of the General Shareholders Meeting and the agenda with the explicit mentioning of all the problems which will be subject to such meeting debate and a clear and precise description of the procedures that the shareholders must comply with in order to participate and vote within the GMS and all the elements provided by the

(6) In the notification for the first General Meeting of Shareholders there shall be set the date and time for the second convened meeting having the same agenda as the first meeting, in order to cover the case when the first one could not be held because the presence quorum is not reached.

(7) Within at least 30 days before the date of the General Meeting of Shareholders and until its organizing date, the Company shall publish on its website, in Official Gazette of Romania, part IV and in a national circulation newspaper or in a local newspaper where the headquarters is situated, the Convening Notice of the meeting as well as the documents to be submitted to the shareholders in the General Meeting of Shareholders.

(8) The amended convening notice shall be published by the company under the same conditions as specified at the paragraph above. Upon request, the shareholders will be issued copies of these documents.

(9) When the agenda includes proposals to amend the Articles of Incorporation, the Convening notice shall include the full text of such proposals. When the agenda includes the appointment of the Board members, the notice shall mention that the list including information on the names, residence town and professional qualifications of the persons proposed for the membership of the Board is available for the shareholders and can be consulted and completed by the shareholders.

(10) The General Meeting of Shareholders shall normally meet at the Company's headquarters or elsewhere in the country or abroad, as indicated in the convening notice.

(11) The shareholders representing, individually or cumulated, at least 5% of the share capital have the right to introduce items on the agenda of the GMS and to present resolution drafts for the items subjected to approval or proposed to be included on the agenda of the GMS. This right may be exercised only in writing within 15 days since the publication of the convening notice, in compliance with the provisions of the initial convening notice and the applicable legal provisions.

The amended agenda with the items proposed by the shareholders must be published with at least 10 days before the date of the GMS, at the date mentioned in the initial convening notice.

Representations

Art. 15.

(1) The access of the shareholders entitled to participate in the GMS, at the reference date, is permitted by a simple proof of identity, in the case of natural person shareholders, on the basis of their ID cards or the ID cards of the legal representatives in the case of legal entities, and in the case of legal person shareholders and represented natural person shareholders, on the basis of a power of attorney issued by the person who they represent, in compliance with the applicable legal provisions.

(2) The shareholders may participate within the GMS personally or by representative based on a special/general power of attorney, by filling in the form made available by the company, under the conditions of the law, which will also indicate the vote of the representative.

Except for the situation when the GMS decides otherwise, the representatives of the mass media are not allowed in the meeting room.

Organization of the General Meeting of Shareholders

Art. 16

A. Quorum and voting rights in the General Meeting of Shareholders

First meeting

(1) The General Meeting of Shareholders may pass resolutions if the first meeting is attended by the shareholders or their representatives holding at least $\frac{1}{4}$ of the total voting rights. If the quorum is met, the resolutions can be passed only if the shareholders voting "for" represents a majority of the votes cast by the present and represented shareholders.

Second meeting

(2) The Ordinary General Meeting convened for the second meeting may decide on the items on the agenda of the first meeting regardless of the present shareholders number representing a majority of the vote cast by the present and represented shareholders.

B. Quorum and voting rights in the Extraordinary General Meeting

First meeting

(3) The Extraordinary General Meeting of Shareholders may pass resolutions if the first meeting is attended by the shareholders or their representatives holding at least $\frac{1}{4}$ of the total voting

rights. If the quorum is met, the resolutions can be passed only with the vote "for" of the shareholders representing the majority of votes cast by the present shareholders and representatives.

Second meeting

(4) The Extraordinary General Meeting of Shareholders convened for the second meeting may decide on the items on the agenda of the first convened meeting, if at least one fifth of the total number of voting rights are present or represented.

(5) If the quorum is met in the second convened meeting of the Extraordinary General Meeting of Shareholders, this will be able to decide on the issues included on the agenda with the vote "for" of the shareholders representing a majority of the votes held by the present shareholders or by the representatives.

(6) by exception from the provisions of paragraph (5) above, in case of any decisions regarding the cancellation of the preference right of the shareholders to subscribe new shares in case of a share capital increase, the GMS must vote in compliance with the applicable legal provisions regarding the quorum of the GMS and the majority of votes expressed, as it is provided in the capital market legislation.

(7) The resolutions for changing the main activity object of the company, for reducing or increasing the share capital, for changing the legal form, for merger, division or dissolution of the Company shall be passed on by a majority of at least two thirds of the voting rights held by the shareholders attending the meeting or by the proper representatives.

(8) When calculating the quorum of a GMS, the votes expressed as "abstention" or the unexpressed votes are also taken into consideration. When calculating the majority of the votes for the resolutions of the GMS, the votes expressed as "abstention" will also be taken into consideration. If the majority of votes expressed is "abstention" votes, then a resolution will not be taken by the shareholders, due to the fact that the necessary number of votes to make a decision was not reached.

Organization of the meetings

ART 17 (1) the General Meeting of Shareholders is chaired by the President of the Board of Directors, and in his/her absence, his/her substitute.

(2) the President of the Board or his/her substitute designates one or more technical secretaries to verify the compliance with the formalities required by law for conducting the meeting and to carry out all the responsibilities in compliance with the law.

(3) the General Meeting of Shareholders shall elect from among the present shareholders, one to three secretaries who shall check this attendance list of the shareholders indicating the share capital that each of them represents, the Minutes to determine the number of submitted shares and the compliance with all the formalities required by law and by these Article of Incorporation for holding the meeting, after which they will move to the agenda.

(4) The Minutes shall be prepared by the meeting secretaries and will determine the carrying out of the convening formalities, date and place of the meeting, agenda, present shareholders, number of shares, debates in brief, resolutions passed, and at the request of shareholders, the statements made by them within the meeting. The Minutes shall be signed by the meeting chairman, the secretary of the meeting and by the technical secretaries.

(5) The Minutes shall be accompanied by the documents referring to convocation and by the attendance lists of the shareholders.

(6) The Minutes of the meeting is typed and added to the Register of the meetings and deliberations of the GMS, register which may be kept in electronic format and then, at the end of the year, sealed and initialized.

(7) The resolutions of the General Meeting of Shareholders shall be drawn up based on the Minutes and/or the electronic results regarding the votes cast, and shall be signed by the President of the Board of Directors and by the meeting secretaries.

(8) In order to be enforceable against third parties, the resolutions of the General Meeting of Shareholders shall be filed within 15 days with the proper Trade Registry Office in order to be mentioned as an excerpt, in the register and published in Romania's Official Gazette."

(9) The shareholders may participate in person or by representative, in compliance with the applicable legal provisions. The shareholders can be represented by other persons, other than shareholders, on the basis of a special/general power of attorney and will be able to cast their votes by correspondence. The procedure and the special/general power of attorney forms and ballots forms by mail shall be established by the Company in accordance with the legal provisions in force and will be made public on the website of the Company at the latest on the publishing date of the convening notice for the general meeting of shareholders.

(10) Considering the establishment of the right to vote by mail, right that may be exercised by any of the shareholders, the statutory quorum to be met for the valid conduct of any type of general meeting of shareholders is calculated by including the valid votes sent by mail.

(11) In the case of mail voting as well, each shareholder is entitled to decide, in writing, on all issues on the agenda, voting "for", "against" or "abstention". The votes cast and not canceled for non-conformities are taken into account.

(12) In order to ensure the real and effective opportunity for all the shareholders to take knowledge about the contents of the documents and proposals that require the organization of the general meetings of shareholders, through the good offices of the Board of Directors, which they shall make available at the Company's headquarters, as well and on the website of the Company at least 30 days before the date set for holding of the meeting.

(13) In the notifications about the convening of the General Meeting of Shareholders, the Board of Directors shall indicate the reference date according to which the shareholders will be entitled to attend the meeting and to vote. There will also be established the date by which the shareholders may send the special power of attorney, as well as the mail voting procedure referring to each of the issues submitted for approval.

(14) The mail votes of shareholders or the submitted special/general power of attorney shall have a clear and accurate form, containing the mentioning "for", "against" or "abstention" on each issue submitted for approval.

Exercising the right to vote in the General Shareholders

Art. 18 (1) The shareholders registered in the Register of Shareholders on the reference date may vote in the General Meeting of Shareholders personally, by representation (special power of attorney) or by mail.

(2) The representative of the shareholders enjoy the same rights to take the floor and to ask questions in the General Meeting of Shareholders as the shareholder whom he/she represents. In order to be designated as a representative, such a person shall have the legal capacity to exercise the vote.

(3) In case of voting by representation, the special or general power of attorney at its first use shall be submitted at the Company's headquarters, in original, 48 hours before the meeting or it shall be communicated electronically by email with extended electronic signature, under the penalty of losing the right to exercise the vote in such meeting.

(4) The shareholders may vote by mail prior to the General Meeting of Shareholders in compliance with the procedures established for this purpose by the Company.

(5) The members of the Board of Directors, the Chief Executive Officer, the managers or the company's employees may not represent the shareholders, under the penalty of the resolution cancellation, if, without their vote, the required majority conditions would not have met.

- (6) The resolutions of the General Meetings of Shareholders shall be adopted by open ballot. The secret ballot is mandatory for the election and recall of the Board members, for the appointment and dismissal of the financial auditor and for adopting resolutions regarding the liability of the members of the administrative, management and control bodies of the Company.
- (7) The following procedures on a secret ballot shall apply in mandatory cases, to ensure the secrecy of the vote in the General Meeting of Shareholders:
- a) the technical secretaries of the meeting shall hand to each shareholder a ballot indicating the shareholder's number of shares and instructions on how to vote;
 - b) each shareholder shall vote by filling out the ballot and submitting it to the meeting secretaries who will determine the outcome of the vote.
- (8) The resolutions of the General Meetings of Shareholders shall be adopted for each item on the agenda by filling out a ballot paper stamped by the Company.
- (9) The resolutions of the General Meeting of Shareholders, within the limitations are mandatory even for absent shareholders, for the unrepresented ones or for those who voted against.
- (10) The shareholders who voted "against" have the right to withdraw from the company and to request the purchase of their shares by the Company, provided that such resolution of the general meeting refers to:
- a) changing the main activity object;
 - b) the Company's office relocation abroad;
 - c) the change of the Company's form;
 - d) the merger or split up of the Company.

Chapter 5

The Board of Directors

Organization and operation of the Board of Directors

- Art. 18** (1) The company is managed in a unitary system. The executive body of the Company is the Board of Directors, made up of 7 members out of which at least 4 (four) members must be independent administrators. The Board members shall be elected for a term of 4 years and can be reelected. The Board members are appointed by the General Meeting of Shareholders, in compliance with the provisions applicable to the companies admitted to trading and to public enterprises ;
- (2) In case of vacancy of one or more positions of directors, including the case of vacancy of the position of President of the Board of Directors, regardless of the reason, the Board shall appoint provisional administrators, an interim President, respectively, until the meeting of the General Meeting of Shareholders.
- 3) The directors may at any time be dismissed by the General Meeting of Shareholders. Each administrator shall expressly accept the exercise of the mandate. The company is obliged to sign a D & O type insurance.
- (4) During their term in office, the administrators shall not conclude a labor contract with the company. If the administrators have been appointed from among the company's employees, the contract of employment shall be legally suspended as of the date of the mandate acceptance.
- (5) The members of the Board of Directors shall exercise their mandate as cautious and diligent as a proper administrator/director, with loyalty, in the company's interest and shall not disclose confidential information and business secrets of the company.
- (6) The Board of Directors is governed by a President. The President of the Board is elected by the Board of Directors from among its members. The company's CEO shall not perform this function, even if he/she is a member of the Board of Directors. The President of the Board is appointed for a period that shall not exceed the term of his/her administrator mandate and may

be removed at any time by the Board of Directors. The President coordinates the Board activity and reports it to the general meeting of shareholders. The President shall supervise the proper functioning of the decision-making bodies of the company

(7) The Board meetings shall be held as follows:

a) by the President of the Board (or by a member of the Board of Directors based on a empowerment granted by the President) whenever necessary but at least once every three (3) months;

b) by the President of the Board of Directors at the motivated request of any two members of the Board of Directors or of the CEO, provided that the items included in the request are related to the responsibilities of the Board of Directors;

c) by two members of the Board of Directors, in case that the President does not convene the Board meeting as mentioned under the above letters (a) and (b).

(8) the Board meetings shall be convened by notice given within minimum three (3) working days before the proposed date for holding the meeting. The notification period shall not include the delivery day and the day of the meeting. The notification shall be sent to all Board members, as per the Articles of Incorporation.

(9) The convening notice of the board meeting shall be sent to each member of the Board of Directors in writing, by fax or by e-mail. Each member of the Board of Directors shall notify the Company in writing, by fax or by email on any change of address and / or fax number of such member of the Board of Directors, as appropriate, and shall not reproach the Company with any irregularity with respect to the notification if a change of address and / or fax number has not been notified as mentioned above by the Board members.

(10) The convening notice regarding the meeting of the Board of Directors shall specify the date and time of the meeting, as well as that it will take place at the Company's headquarters (unless the convening notice mentions another place, in which case the address shall be mentioned). The Convening notice of the Board meeting shall also mention the agenda and shall include all the documents related to the items on the agenda that will be discussed within the meeting.

(11) The Board of Directors cannot decide on issues which are not included on the agenda of the day, with the exception that all the present members agree to include them on the agenda

(12) The Board of Directors usually meets at the headquarters of the company or can organize operative sessions by telecommunication means which meet the legal requirements for the identification of the participants, effective participation and the continuous transmission of the deliberations (telephone, video-conference and other communication equipment), any time it is necessary, but at least one every 3 years, at the call of the President or at the motivated call of two members or of the General Manager. In case the Board of Directors is convened at the call of two members or the General Manager, the convening notice will be issued within 7 (seven) days after the request.

(13) If it is technically feasible, any member of the Board may participate in a meeting of the Board or advisory committee either by teleconference, videoconference or any other form of communication equipment, under the condition that it allows the identification of participants, effective participant in the meeting and continuous broadcast of the discussions.

(14) The person that participates by teleconference, videoconference or any other form of communication equipment which complies to the provisions described at the paragraph above, will be considered present in person at the respective meeting and will be taken into consideration when establishing the quorum as entitled to a vote.

(15) The Board of Directors is presided by the President, and in his absence, by one member based a mandate granted by the President. The President appoints a secretary among the employees of the company.

(16) The Board of Directors makes consistent decisions in the presence of the majority of the members and the decisions within the Board of Directors are made with a majority of the members present. The decision regarding the appointment or revocation of the President of the

Board of Directors is made with the majority vote of the members of the Board of Directors. The President of the Board of Directors will have the decisive vote in case of a vote tight.

(17) The members of the Board of Directors may be represented at meetings only by other members of the Board of Directors, on the basis of a special written power of attorney or a general discretionary mandate. A member of the Board of Directors may represent only one absent member.

(18) The debates of the Board of Directors take place as per the established agenda communicated by the President with at least 3 working days in advance. The items on the agenda are recorded in the minutes of the meeting, which is registered in a sealed and signed registry by the President of the Board of Directors.

(19) The minutes of the meeting is signed by all the members of the Board of Directors present and by the secretary. On the basis of the Minutes of the meeting, the secretary of the Board of Directors drafts the resolution, which is then signed by the President and by at least one additional member of the Board of Directors.

(20) The members of the Board of Directors are able to exercise any deed related to the administration of the company in its interest, within the limits of the rights granted to them.

(21) In exceptional cases, justified by the emergency of the situation and in the interest of the company, the decisions of the Board of Directors can be taken through unanimous written vote of the members, without a meeting. In order to take a decision without a meeting, the proposal must be sent in writing, also by email, and accompanied by the relevant documents, before making the decisions. This procedure cannot be applied in the case of the Board decisions regarding the financial statement and the authorized capital.

(22) The meetings will be attended by the President and the members of the Board of Directors. As applicable, when considered necessary, for additional information, the President of the Bod may invite the executive management to the meetings, internal auditors, as well as other employees of the company or specialists on different topics from outside the company. The President of the union may be invited as well, in order to discuss professional, economic and social interest problems. In order to defend the professional, economic and social interests of its members, the President of the union will receive from the management of the company, the necessary information in order to negotiate the collective work agreements. The articles from the decisions of the BoD concerning professional, social and economic problems will be communicated in writing to the representative union, within 2 working days since the unfolding of the meeting.

(23) The members of the Board of Directors are jointly responsible to the company for:

- a) the correctness of the payments made by the associates
- b) the real existence of the paid dividends;
- c) existence of the registries required by the law and their correctness;
- d) the precise fulfillment of the resolutions of the GMS;
- e) the strict fulfillment of the duties required by the law and by the bylaws.

The responsibilities of the Board of Directors

ART.20 (1) The Board of Directors is tasked with the accomplishment of all the necessary and useful documents related to the scope of the company with the exception of those reserved by the law for the General Meeting of Shareholders.

(2) The Board of Directors has the following responsibilities that cannot be delegated to the managers:

- a) establishment of the main directions for the development of the Company;

- b) Establishment of the accounting and financial audit system and approval of the financial planning;
 - c) Appointment and revocation of the General Manager and of the Executive Managers as well as the establishment of their remuneration;
 - d) Oversight of the activity of the General Managers and Managers
 - e) Drafting the annual report, organization of the General Meetings of the Shareholders and implementing their resolutions;
 - f) Filing the request for opening the insolvency procedure of the company, as per the Law 85/2014 regarding the insolvency procedure and prevention;
 - g) Approval of changing the activity field of the company, without affecting the main area of activity of the company.
- (3) The Board of Directors has other responsibilities as well:
- a) Exercises control over the management activities of General Manager and Managers;
 - b) Endorses the Revenues and Expenses Budget;
 - c) Approved the Management Plan prepared by the General Manager and/or other Managers;
 - d) Presents to the GMS an annual report regarding the administration activity;
 - e) Represents the company in the relationship with the General Manager and appointed managers;
 - f) endorses the financial statements of the company;
 - g) approves the Report of the General Manager and of the Managers of the company;
 - h) proposes to the general meeting of shareholders the appointment or revocation of the financial auditor, as well as the minimum duration of the audit contract;
 - i) Approves the mandate contracts of the General Manager and of the appointed managers establishing the organization of the activity of the managers.
 - j) Approves the empowered persons to negotiate the Collective Work Agreement with the representative unions and/or representatives of the employees as well as their negotiation mandate;
 - k) Approves the Collective Work Agreement at the level of the company;
 - l) approves the Organization and Operation Rules of the Board of Directors;
 - m) Approves the activity programs (production, research-development, technological engineering, investments, etc)
 - n) Approves the organizational structure of the Company and the number of positions as well as the Organization and Operation Rules of the Company;
 - o) Approves the energy transactions strategy of the Company;
 - p) Approves the conclusion of any contract/document which implies legal obligations for the company (acquisition, alienation, exchanges or constitute as warranty the fixed assets of the company) the cumulated or individual value of which does not exceed 20% of the total

accounting value of the fixed assets of the company minus receivables, during a financial year, by respecting the competence limitations provided by Appendix 1 to the current Articles of Incorporation;

q) approves the lending of tangible assets, for a period longer than one year, the individual or cumulated value of which does not exceed 20% of the of the total accounting value of the fixed assets of the company minus receivables to the same contractors or implicated persons who act as an association ad well as the association that do not exceed the above mentioned value, for o period of a year;

r) endorses the mandate of the representative of Nuclearelectrica in the General Meeting of Shareholders of SC EnergoNuclear SA for the decisions that are under the competence of the GMS of S.C. Energonuclear S.A with the exception of those that require a resolution of the general meeting of shareholders, as per the provisions of the Articles of Incorporation.

s) endorses the mandate of the representative of Nuclearelectrica in the General Meeting of Shareholders of the project company established as per the Investors Agreement in preliminary form regarding Units 3 and 4 of Cernavoda NPP concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) Co. S.A. and Societatea Nationala Nuclearelectrica SA

(4) The Board of Directors approves/endorses the contracts, credits and different operations of the Company, in accordance with the competence limits provided in the Appendix to the Articles of Incorporation.

(5) The Board of Directors may establish advisory committees, made up of at least 2 board members charged with carrying out investigations and drafting recommendations for the Board.

(6) Within the Board of Directors a Nomination and Remuneration Committee and an Audit Committee are created. The Board of Directors may decide to establish other advisory committees as well.

(7) The Advisory Committees are made up of at least 2 (two) members of the Board of Directors and at least one member of each advisory committee has to be an independent nonexecutive administrator. The actual number of the members of each advisory committee will be established by the resolution of the Board of Directors. The Audit Committee and the Nomination and Remuneration Committee are made up of nonexecutive administrators. At least one member of the Audit Committee must have experience in applying accounting principles or in financial audit.

(8) The Nomination and Remuneration Committee issues proposals for the position of member of the Board of Directors, General Manager and Managers, prepares and proposes to the Board the selection procedure for the members of the Board, for the General Manager and other management positions.

The Advisory audit committee fulfills the responsibilities established in the duty of this committee by the legislation which regulates the statutory audit of the financial statements.

(9) The Board of Directors will decide regarding the additional responsibilities of the Nomination and Remuneration Committee and of the Internal Audit committee as well as regarding the responsibilities of the other advisory committees.

(10) At the proposal of the presidents and of the members of the advisory committees, the Board of Directors may approve the hiring of permanent external experts, legal or natural persons, who are specialized in the field of activity of the Advisory committees to assist them in their activity, also establishing their remuneration.

General Manager and Managers

ART.21 (1) The Board of Directors delegates the management of the company to one or more managers, appointing one of them as General Manager. The General Manager may be appointed from among the administrators, who thus become executive administrators or from outside the Board of Directors. Within the Board of Directors there can be only one executive administrator. As per the Articles of Incorporation, the concept “Director” refers to the person empowered to manage the company through a resolution of the Board of Directors and who concludes a mandate contract with the Company, as per the provisions of the applicable legislation.

(2) The General Manager represents the company in the relationship with third parties and in the Court of Law. The Board of Directors represents the company in the relationship with the Managers.

(3) The Managers are responsible for taking all the necessary measures related to the management of the company, within the limits of the scope of activity of the Company and by respecting the competences exclusively reserved by the law and Articles of Incorporation of the company to the Board of Directors and GMS;

(4) the General Manager and the managers appointed by the Board of Directors will have the responsibilities established on the basis of the mandate contracts approved by resolution of the Board of Directors.

(5) Any administrator may ask the General Manager and the Managers for information regarding the operational management of the Company. The General Manager and the Managers have the obligation to inform the Board of Directors on a regular basis about the achieved and planned activities.

(6) The General manager and the Managers have to expressly agree to exercise their mandate. The company is obliged to conclude a liability policy of the administrators and Managers („Directors & Officers Liability”), that covers civil liability towards third parties of the company and of the management (General Manager, Managers, Board of Directors). The costs of this insurance will be borne by the company.

(7) During his mandate, the General Manager and the Managers cannot conclude a work contract with the company. If the General Manager and the Managers were appointed from among the employees of the company, the concluded work agreement is rightfully suspended at the date of the acceptance of the mandate. During the period of his term s General Manager/Manager, the General Manager/Managers with conclude a mandate/management contract with the company. The company is liable towards the General Manager and the Managers in case of unjustified revocations, under the conditions of the law and the mandate/management contract.

(8) The General Manager and Manager have an obligation to carry out their mandate with the prudence and diligence of a good manager, with loyalty, in the interest of the company and is not allowed to disclose confidential information or business secrets, during his term as General Manager/Managers as well as 5 years after his mandate.”

The obligations of the members of the Board of Directors, the General Manager and the Managers

ART.22

- (1) The members of the Board of Directors, General Manager and Managers have diligence and loyalty obligations towards the shareholders of the company.
- (2) The members of the Board of Directors, the General Manager and the Managers are liable to the General Meeting of Shareholders, as per the legal provisions regarding their mandate. The decisions of the members of the Board of Directors, General Manager and Managers will be made after the diligent information on the existing relevant circumstances.
- (3) The members of the Board of Directors, the General Manager and the Managers will not disclose the confidential information or commercial secrets of the company, that they have access to. This obligation remains mandatory also after the termination of their mandate.
- (4) If a member of the Board of Directors, the General Manager or Managers has direct or indirect conflicting interest within an activity to the interests of the company, he must inform the other members and the internal auditors about this and he must not participate in any deliberation regarding the particular activity.
- (5) the same obligation is valid for the members of the Board of Directors, the General Manager, the Managers in case, within a certain operation, they are aware of the interest of the spouses, relatives and affines to the IV degree.
- (6) the interdictions provided at paragraph (4) and (5), regarding participation to the deliberation and the vote of the members of the Board of Directors, the General Managers and the Managers are not applicable in case the subject of the vote is the following:
 - a) the offer for subscription to a member of the Board of Directors, the General Manager and the Managers or any other persons mentioned at paragraph (6) of shares or bonds of the company
 - b) the granting of a loan or warranty in favor of the company made by a member of the Board of Directors, the General Manager and the Managers or the persons mentioned at paragraph (6).
- (7) the member of the Board of Directors, the General Manager and the Managers who have not respected the provisions of paragraphs (4) and (5) are liable for the losses that resulted for the company.
- (8) It is forbidden for the company to credit the members of the Board of Directors, the General Manager and the Manager, through the following operations:
 - a) loans;
 - b) awarding of financial benefits on the occasion or after the delivery of goods, services or works by the company for them;
 - c) the direct and indirect warranty of loans granted to the members of the Board of Directors, the General Manager and the Managers on the occasion or after the contracting of the loan;
 - d) the direct and indirect warranty of the Board of Directors, the General Manager and the Managers for any personal obligations towards third parties.
 - e) the acquiring of an onerous title or payment, in part or in total, of a receivable for a loan granted by a third party to the members of the Board of Directors, the General Manager and the Managers.
- (9) The provisions of paragraph (8) also apply to operations that spouses, relatives and affines up to the IV degree are interested, including the members of the Board of Directors, the General Manager and the Managers; also applies if the transaction involves a public or commercial

company at which one of the above mentioned persons is administration owns, solely or together with another of th above mentioned persons, a quota of at least 20% of the value of the paid share capital.

(10) The provisions of paragraph (8) do not apply if the transaction is concluded by the company during its current activity and the clauses of the transaction do not favor the persons mentioned at paragraphs (8) and (9) more than the company favors other third parties.

Chapter 6

The audit of the company

Financial Audit and Internal Audit

ART.23 (1) the auditing of the financial statements will be performed by a financial auditor, member of the Board of Romanian Financial Auditors, appointed by the General Meeting of Shareholders, based on a service contract.

(2) the financial auditor has the obligation to audit the financial statements of the company, namely to verify the correctness of the assets situation and the financial performance of the company. Also, the financial auditor has the legal obligation to prepare and present to the General Meeting of Shareholders a report regarding the annual financial situations.

(3) The company organizes the internal audit activities in compliance with the legal requirements.

Chapter 7

The activity of the company

The financing the company's activity

ART. 24 "In order to carry out its activities in compliance with the established responsibilities, the Company uses financing resources established by the law, bank credits and other financial sources.

The financial year

ART. 25 The financial year starts on January 1st and ends on December 31st of each year.

The personnel of the company

ART.26 (1) The personnel of the company is hired/dismissed by the General Manager and, as applicable, by the Managers that have this competence established by the Board of Directors or by the decision of the General Manager through their mandate contract. The hiring and dismissal of personnel from the subsidiaries of the company, with the exception of the management of the subsidiaries, is performed by the manager of the subsidiary, within the limits of his competence granted by the General Manager. The rights and obligations of the company's personnel are established in the Organization and Operation Rules, the Collective Work Agreement, the Internal Rules and the Job Description. The salary rights and the other employee rights are established by the Collective Work Agreement.

(2) The personnel of the company complies with the provisions of the Code of conduct of the employee in the nuclear field.

Amortization of fixed assets

ART. 27. The amortization of the company's tangible and intangible assets will be calculated based on the method of amortization established by the Board of Directors, in compliance with the legal provisions.

The accounting situation and the drafting of the financial statements

ART. 28 The company will keep accounting in lei and has the obligation to prepare the annual financial statements in compliance with the applicable legal provisions.

The calculation and distribution of profit

ART. 29 (1) The profit of the company is established on the basis of the annual financial statements, approved by the General Meeting of Shareholders.

(2) The taxable profit is established as per the law.

(3) The profit of the company, after the profit tax, is distributed in compliance the resolution of the General Meeting of Shareholders and the legal requirements. The company constitutes reserves and other funds, as per the law. From the profit of each year, the amount of at least 5% is extracted and deposited in the reserve fund, until it reaches a minimum of a fifth of the company's capital.

(4) the payment of dividends to the shareholders is done by the company, in compliance with the law.

(5) The dividends are distributed to the shareholders proportional to the number of their shares.

(6) The losses will be supported by the shareholders proportionally to their participation to the social capital of the company.

The registries of the company

ART. 30 The company will keep, through the supervision of the administrators, all the registries provided by the law. The shareholders registry will be kept by Depozitarul Central.

Chapter 8

Association, modification of the legal form, dissolution, liquidation, litigations

The association

Art. 31. The company may constitute, solely or together with other legal or natural persons, from Romania or abroad, other commercial companies and/or other legal entities with similar activity, in the conditions provided by the law and by the Articles of Incorporation. The participation conditions to the establishment of new legal entities or to association contracts will be established by articles of incorporation or association agreements, which will be approved by the General Meeting of Shareholders.

Modification of the legal form

Art. 31 (1) The legal form of the company can be changed into another form by resolution of the General Meeting of Shareholders. During the period the Romanian state is shareholder, the modification of the legal form of the company can be done only with the approval of the Ministry, under the authority of which the company operates, through empowered representative who represent the interests of the state capital.

(2) the new company will fulfill the legal registration and publicity formalities, required for the establishment of the company.

The dissolution of the company

ART. 32 (1) The dissolution of the company may occur in the following situations:

- a) the impossibility to achieve the scope of the company;
- b) the declaration of invalidity of the company
- c) the resolution of the General Meeting of Shareholders, made in compliance with the provisions of art. 15 of the current Articles of Incorporation;
- d) the company's bankruptcy
- e) when the social capital of the company is diminished under the minimum legal value or if half of the capital is lost, after the consumption of the reserve fund, if the General Meeting of Shareholders doesn't decide to supplementation of the share capital or its reduction to the remaining sum;
- f) other situations provided by laws.

(2) The dissolution of the commercial company must be registered at the competent Romanian Trade Registry office and published in the Official Gazette of Romania, part IV, by respecting the legal requirements.

The liquidation of the company

ART. 33 (1) In case of dissolution, the company will be liquidated.

(2) The liquidation of the company and division of assets is done in compliance with the legal provisions".

Litigation

Art. 34 The litigations of any sort occurred between the company and natural/legal Romanian persons fall under the competence of the Romanian common court of law.

Chapter 9 Final dispositions

ART. 35 (1) The current Articles of Incorporation can be modified by resolution of the General Meeting of Shareholders, in compliance with the Romanian legislation.

(2) The provisions of the current Articles of Incorporation are supplemented with the dispositions of law 31/1990, republished and modified and other applicable legal provisions, as well as legislation of the capital market which governs the activity of issuers of shares admitted for transaction on the regulated market.

Appendix

Competence limitations of the General Manager, Board of Directors and the General Meeting of Shareholders regarding the contracts and transactions of the company:

Contracts, credits and operations		Approval competence			
	Type of contract/operation	Value of contract/operation	Managers(*)	Board of Directors	General Meeting of Shareholders
1	Initiation of procurement procedure for products, goods and services	Less than 5.000.000 Euro	Approves	Is informed	
		More or equal than 5.000.000 Euro	Endorses	Approves	
2	Investment decisions	Less than 3.000.000 Euro	Approves	Is informed	
		More or equal to 3.000.000 Euro and less than 50.000.000 Euro	Endorses	Approves	Is informed
		More or equal to 50.000.000. Euro	Endorses	Endorses	Approves
3	Repayment schedules for receivables	Less than 3.000.000 Euro	Approves	Is informed	
		More or equal to 3.000.000 Euro	Endorses	Approves	
4	Credit contracts regardless of their duration	Less than 50.000.000 Euro	Endorses	Approves	Is informed
		More or equal to 50.000.000 Euro	Endorses	Endorses	Approves
5	Credit warranties	Less than 50.000.000 Euro	Endorses	Approves	Is informed
		More or equal to 50.000.000 Euro	Endorses	Endorses	Approves

() the term "Director" refers to the person to whom the management of the company was delegated by decision of the Board of Directors and with whom to Company has concluded a mandate contract, in compliance with the legal provisions.*

PRESIDENT OF THE BOARD OF DIRECTORS

IULIAN-ROBERT TUDORACHE

Disclaimer: The Romanian version prevails over the English version.