

Annex to order

MANDATE AGREEMENT NO. _____

Concluded today

I. Preamble

Considering:

- The Government Decision no. _____ regarding the incorporation of SNN S.A.;
- The provisions of the GEO no. 109/2011 regarding corporate governance of public companies approved by Law no. 111/2016, with subsequent amendments and additions („GEO no. 109/2011”);
- The provisions of the Law no. 31/1990 regarding companies, republished, with subsequent amendments and additions, („Law no. 31/1990”);
- The company’s Articles of Incorporation;
- The provisions of article art. 1913 – 1919, art. 1924 as well as of art. 2009 and the following of the Civil Code;
- The decision of the OGMS no. _____ from _____ for the approval of the mandate agreement between the company and its administrators

And the fact that:

- By Decision no. _____, the company’s OGMS appointed Mr./Mrs. _____ for the position of member of the BoD, and he/she expressly accepted it, following to exercise, with the other members of the BoD, the attributions provided by the Law no. 31/1990, by the Company’s Articles of Incorporation, („Articles of Incorporation”), and by GEO no. 109/2011;
- The Law no. 31/1990, GEO no. 109/2011 with subsequent amendments and additions, as well as the company’s Articles of Incorporation, request the members of the BoD that, during their mandate, they must not have a legal labor relation with the company;

the parties agree to conclude the present mandate agreement, hereinafter also called mandate agreement, („Mandate Agreement”), following the consent agreement expressed by the signatory parties.

II. The agreement parties

Art. 1. _____, company managed in a unitary system, with registered office in _____, registered at the Register of Commerce with Bucharest Court of Law under no. _____ Fiscal Code _____, IBAN account _____, opened at _____, represented by _____, as **principal**, („*the Company*”), and Mr./Mrs., _____ citizen _____, born on _____, in _____, domiciled in _____, holder of I.C. series _____, no. _____, PIN _____, as non-executive administrator or **proxy** („*Administrator*”).

III. Definitions

Art. 2. In the hereby Mandate Agreement, the terms below shall have the following signification:

- a. Articles of Incorporation** – Articles of Incorporation of _____ approved by the general meeting of shareholders of the *Company*, effective as of the date of the present Mandate Agreement or as amended/completed/reformulated, by the decision of the general meeting of shareholders of the *Company*;
- b. Legal applicable frame** – the assembly of the legal Romanian standards consisted by the GEO no. 109/2011 with subsequent amendments and additions, the *Company*'s law no. 31/1990 with subsequent amendments and additions, Civil code, Fiscal code, as well as by the other regulations incident to the present Mandate Agreement, applicable to the parties;
- c. Conflict of interest** – any situations or circumstances determined/determinable according to the applicable legal frame, to the Organization and operation regulation of the *Company*, („*ROF*”), where the personal interest, direct or indirect, of the administrator, contradicts the *Company*'s interest, affecting or with the possibility of affecting its independence and impartiality in making business decisions or performing the attributions in time and objectively, during his/her mandate in the *Company*;
- d. The final impossibility to perform the mandate/ legal impediment** – (i) any circumstance creating an unavailability with a period exceeding or equal to 90 consecutive calendar days, not giving the administrator the possibility to fulfill his attributions, personally or by representation, (ii) preventive detention, (iii) administrator's arrest, (iv) cancellation of the decision of the general meeting (ordinary) of the *Company*'s shareholders to appoint the administrator; and so on;
- e. Remuneration** for the Administrator – means the remuneration made of a fixed monthly allowance established by the decision of the general meeting of shareholders, by complying with the provisions of art. 153¹⁸ of the Law no. 31/1990, with subsequent amendments and additions and of art. 64 paragraph (3) and art. 37 of GEO no. 109/2011, with subsequent amendments and additions;
- f. Force majeure** – means any external, unpredictable, invincible and unavoidable event, which could not have been foreseen at the moment of concluding the present Mandate Agreement and which makes impossible the performance and, respectively, the compliance of the Mandate Agreement; such events are being considered: wars, revolutions, fire, floods or any other natural disasters, restrictions occurred following quarantine, embargo, the list not being exhaustive, but declarative. It is not considered force majeure an event like those listed above,

without creating the impossibility to perform, make the performance of obligations of any party very costly.

- g. Business decision** – means any decision in taking or not certain measures regarding the *Company's* management;
- h. Accidental event** – means an event which couldn't have been foreseen by the administrator nor stopped from happening; assimilated to the accidental event are the change of the legal frame, of regulation and of the Romanian current fiscal system on signing the Agreement, which additionally burdens the *Company*;
- i. Confidential information** – information regarding the economic activity of the *Company* which are not public, according (i) to the law, decisions of the general meeting of shareholders, (iii) decisions of the BoD and (iv) internal regulations of the *Company*.

IV. Object of the Mandate Agreement

Art. 3. By the present Mandate Agreement, the administrator is authorized to adopt, with the other administrators, all measures necessary to manage the *Company*, according to the provisions of the applicable, current legal frame, as well as of the *Company's* Articles of Incorporation and those of the Mandate Agreement, within the limits of the *Company's* object of activity and by complying with the exclusive competencies, regarding the Law no. 31/1990, GEO no. 109/2011 and the Articles of Incorporation, BoD, President of the BoD, GMS and *Company's* executive administrators.

Art. 4. For the purpose of performing the object of the present Mandate Agreement, the administrator shall perform all necessary actions for managing the *Company's* assets, in its interest, for complying with the object of activity and shall perform the attributions established for it by the Articles of Incorporation and by the present Mandate Agreement.

Art. 5. The place for performing the mandate is the *Company's* office, indicated at art. 1 of the present Mandate Agreement or where it acts as representative of the *Company*. The place for complying with the mandate may be changed by the *Company* and may be established to be at the offices of the *Company's* branches, or in a location established by the *Company*. The decision regarding the change of the compliance of the mandate is communicated by the *Company*, according to the Organization and operation Regulation of the BoD.

V. Period of the Mandate Agreement

Art. 6. The Mandate Agreement shall be concluded for a period of years starting, until The period of the mandate agreement may be extended only in the conditions of extending the administrator's mandate by GMS decision, according to the law. the hereby contract is valid on the condition of accepting the position, by the elected administrator.

VI. Obligations of the administrator

Art. 7. The Administrator undertakes that, **together with the other members of the BoD**, shall exercise the following main attributions:

- 7.1.** to establish main activity directions and to approve the *Company's* development strategy;
- 7.2.** to create the audit nomination and remuneration committee, according to the current legal provisions;
- 7.3.** to establish the accounting policies and the financial control system and the approval of the financial plan;
- 7.4.** to appoint and revoke the managers and CEO, with a mandate agreement and establish³

- their remuneration at the recommendation of the nomination and appointment committee;
- 7.5.** to evaluate the activity of the CEO under the aspect of performing the mandate agreement
 - 7.6.** to approve the Organization and operation plan of the BoD;
 - 7.7.** to establish the attributions delegated in the competency of the *Company's* executive leadership, respectively in the competency of the CEO and other leaders according to the Law 31/1990, with subsequent amendments and additions, in order to perform the *Company's* operations;
 - 7.8.** to approve the conclusion of any agreements for which was not delegated the competency of the CEO and managers, within the limits provided by the Articles of Incorporation;
 - 7.9.** to assemble/or as the case may be, to authorize the assembly of the general meeting of shareholders, to take part in the meetings of the GMS and implement the decisions of the GMSs, to inform all shareholders regarding any act or event which might have a significant influence on the company's situation;
 - 7.10.** to submit to the *Company's* GMS, within the term provided by the law in this field, the report regarding the *Company's* activity, the balance sheet and profit and loss account for the respective year, or make recommendations regarding the distribution of the profit and approve the project of the income and expenses budget of the *Company* for the current year;
 - 7.11** to quarterly submit, during the GMS, a report on the administration activity, also including information regarding the performance of the mandate agreements of managers/members of the directorate, details regarding the operational activities, company's financial performance and company's quarterly accounting reports;
 - 7.12.** to establish the contracting level of the current bank loans, commercial short and average-term credits and approve the issuance/creation of bonds.
 - 7.12.** to provide a mandate for the CEO or negotiation committee in order to negotiate the collective labor contract and approve and sign its final form.
 - 7.13** to introduce the request for opening the the *Company's* insolvency procedure, according to the law, as the case may be;
 - 7.14** to propose to the *Company's* GMS the increase of share capital when this measure is necessary for the activity development, incorporation/dissolution of a new unit/sub-unit, fusion, division, as well as incorporation of legal persons, with or without legal personality, by association with other persons in the country/abroad;
 - 7.15** to perform the attributions delegated by the *Company's* GMS according to the *Company's* Law no. 31/1990, as well as any attributions provided by the law or by the Articles of Incorporation in its task;
 - 7.16** to approve the level of professional responsibility insurance for the CEO.

Art. 8. The Administrator also undertakes:

- 8.1.** not to be tied to the *Company* by a labor agreement;
- 8.2.** to perform his mandate with the loyalty, caution and diligence of a good administrator in the exclusive interest of the *Company*, and not to take any special obligations towards a shareholder of the *Company*, regarding the *Company's* activity;
The Administrator does not breach the abovementioned obligation, when making a business decision, he reasonably has the right to consider (i) he acts in the interest of the *Company* and (ii) made decisions based on adequate information.
- 8.3.** to adopt all measures necessary for protecting the *Company's* patrimony;
- 8.4.** to keep confidentiality of information and business secrets of the *Company*, to which had access through documents presented to the BoD, except for the situations when such use is requested by the

law or it is necessary in relation with the public authorities and/or by the participation of the administrator in a litigation involving the *Company's* activity, including for a period of 5 years after the mandate termination;

8.5. too avoid conflict of interests in relation to the *Company*;

8.6. not to conclude legal documents with the *Company*, unless according to the law;

Art. 9. The Administrator, together with the other administrators, undertakes to assemble the GMS to approve any transaction if he has, individually or in a series of settled transactions, a value exceeding 10% of the new assets value of the *Company* or exceeding 10% of the *Company's* turnover according to the most recent audited financial statements, with the administrators or managers or, as the case may be, or the directorate's, with the employees, shareholders having control of the company or a company controlled by them; as well as with the husband or wife, relatives or affiliates up to the 4th grade including those of the persons mentioned.

Art. 10. The Administrator, together with other administrators, undertakes to inform the shareholders, during the first GMS following the conclusion of the legal deed, on any transaction concluded by the *Company* with:

- The persons provide at art. 9, if the transaction value is under the level of 10% of the value of the *Company's* net assets or over 10% of the *Company's* turnover according to the most recent audited financial statements;
- Another company or with the public tutelary authority, if the transaction amounts to, individually or in a series of transactions, at least the equivalent in lei of 100,000 EUR.

Art. 11. The Administrator, together with other administrators, undertakes to submit to the GMS, in a special chapter, the legal documents concluded according to art. 9 and art. 10, stating the following elements: the parties that concluded the legal document, the conclusion date and nature of the document, the description of its object, the total value of the legal document, mutual debts, created securities, payment terms and methods and any other essential and significant information regarding the respective legal documents, as well as any information necessary to determine the effects of the respective legal documents on the financial situation of the *Company*.

Art. 12. The Administrator undertakes not to use in his own interest and not to disclose to any unauthorized person any confidential or secret information regarding the *Company's* activity.

Art. 13. The Administrator shall not use the Confidential Information, directly or indirectly, for personal or third party use, except for situations when such use is requested by the law or by the administrator's attendance to a process.

Art. 14. The Administrator shall comply fully with the non-compete obligations provided by the current law.

VII. Administrator's Rights

Art. 15. The Administrator benefits from a fixed maximum monthly gross allowance in the amount of..... lei, to perform the assigned mandate equal to 2 times the average for the last 12 months of the average gross monthly wage income of the branch where the Company develops its activity, communicated by the National Institute of Statistics, prior to the appointing.

Art. 16. The payment of the monthly fixed allowance is made once a month, respectively on ____ of the month, regardless of the number of meetings from that month.

Art. 17. The Administrator benefits from the deduction of the expenses related to the mandate performance, based on justifying documents, in the same amount corresponding to the position of CEO, as well as, but without a limitation to it: accommodation costs, per diem, transport and any other type of costs connected to the mandate performance and regardless if they occurred during trips in the country or abroad, as well as for the use of certain inventory assets/fixed assets necessary for the activity development.

Art. 18. The Administrator must be insured for professional responsibility. The bonus payment for this insurance, which amount is approved by the GMS, shall be made by the company and it is not deducted from the administrator's remuneration.

VIII. The Company's Rights

Art. 19. *The Company* undertakes to pay all monies rights for the administrator provided in the hereby Mandate Agreement, including to retain at the source and transfer in time the income tax and all the other mandatory contributions, fiscal or of any kind, the Administrator's responsibility, in the name and on his behalf.

Art. 20. *The Company* undertakes to provide for the Administrator full freedom for the purpose of complying with the mandate/attribution/obligations, by complying with the limits of the Articles of Incorporation, the hereby Contract and applicable legal frame, as provided at art. 2, letter b) of the Contract.

Art. 21 *The Company* undertakes to provide the Administrator with the conditions necessary for him to develop his activity.

IX. Parties' responsibility

Art. 22. The incompilance and /or inadequate compliance of the obligations taken by any parties signatory to the present Mandate Agreement draws the responsibility of the default party.

Art. 23. The party which determined the termination of the Mandate Agreement due to wrongful incompilance and/or wrongful inadequate incompilance of the obligations taken, is responsible towards the other party by covering all damages generated by the termination of the Mandate Agreement.

Art. 24. The Administrator is responsible for wrongful incompilance: (i) of the provisions of the⁷

hereby Mandate Contract, (ii) of the provisions of the Company's GMS adopted decisions, (iii) of the provisions of the Articles of Incorporation.

Art. 25. The Administrator does not breach the caution and diligence obligation and shall not be responsible in case, at the moment of taking any business decision, has the reasonable right to consider he acts in the *Company's* interest and based on adequate information and if no accidental event occurs, as it is defined.

Art. 26. *The Company* is responsible for the wrongful incomppliance of the obligations taken under the present Mandate Agreement and shall cover the damage caused.

X. Force majeure

Art. 27. The parties are exonerated of responsibility in case of force majeure, as defined at art. 2 letter f) of the present Mandate Agreement.

Art. 28. In case of force majeure, the parties shall make joint efforts in order to diminish possible damage which might result following the intervention of such cause.

Art. 31. The parties also undertake to notify in writing the other party, in 5 (five) days at the most since the intervention of any force majeure cause and, in general, to inform the other party in due time about the possible impediments which might lead to difficulties in performing the object of the present Mandate Agreement.

XI. Amendment of the Mandate Agreement

Art. 30. The present Mandate Agreement may be amended only by the written agreement of the signatory parties, expressed by an addendum.

Art. 31. The present Mandate Agreement shall be adequately adapted to the legal subsequent regulations after its conclusion and which are applicable.

XII. Termination of the Mandate Agreement

Art. 32. The present Mandate Agreement is terminated by:

- 32.1. expiration of the term for which it was concluded;
- 32.2. immediately revoking of the administrator, by the Company's GMS, for unjustified incomppliance of the obligations provided in the Mandate Agreement;
- 32.3. administrator's decease;
- 32.4. insolvability or bankruptcy of the *Company*;
- 32.5. agreement of the signatory parties;
- 32.6. the administrator's resignation of the mandate, of by non-imputable causes;
- 32.7. the intervention of legal impediments, as defined at art. 2 letter d) of the present Mandate Agreement, forbidding the administrator to occupy this position;

Art. 33. The Administrator's Mandate can be revoked also in the following cases: (i) in case there is a prosecution in his name regarding the perpetration of a crime against patrimony by contempt of trust, corruption, embezzlement, false statements, tax evasion, a crime under the Law no. 656/2002 for preventing and sanctioning money laundering, as well as for appointing certain preventive easures and fighting financing of acts of terrorism, republished, (ii) in case of committing a crime provided⁹

by the Law 31/1990 (iii) in case of a criminal final decision regarding the perpetration of an intended crime, according to the criminal law. In such cases, the mandate revoking by the Company's GMS shall not be considered a revoking without a just cause.

XIII. Litigations

Art. 34. Any litigation between the parties regarding the conclusion, performance, amendment, termination or interpretation of the clauses of the present Mandate Agreement, which cannot be solved amicably, shall be submitted to the competent Romanian courts of law.

XIV. Confidentiality obligations between the parties

Art. 35. The parties undertake to maintain confidentiality according to the current applicable legal and state provisions, on all information, data and documents received from the other party in performing the present Mandate Agreement.

Art. 36. The parties may disclose information or documents for the performance of the present Mandate Agreement only to persons involved in its performance, who, in their turn, shall undertake not to use, for a other purpose that the one related to the performance of the agreement, an obligation notified to the latter by the signatory party of the present Mandate Agreement.

Art. 37. It is not considered an obligation to maintain confidentiality, the disclosure of information in one of the following cases:

- 37.1. if the information was known by the party before being obtained from the other party and this can be proved;
- 37.2. if the information disclosure was made after receiving the written approval of the other party;
- 37.3. if the information was important at the moment of its disclosure;
- 37.4. if the party disclosed the respective information to comply with certain legal provisions or the ones of a court of law.

XV. Final provisions

Art. 38. The Administrator states that he acknowledged the provisions of the Company's Articles of Incorporation.

Art. 39. The Administrator states he isn't in any of the incompatibility situations, provided by the GEO no. 109/2011 and the Law no. 31/1990, or competitiveness, provided by Annex 3 to the Agreement.

Art. 40. The present Mandate Agreement is governed by and interpreted according to the provisions of the Romanian law. For any aspect not expressly mentioned in its content, the present Mandate Agreement is completed by the provisions of the Romanian Civil code. Also, the present Mandate Agreement is completed by the provisions of the Law no. 31/1990 and GEO no. 109/2011. The present Mandate Agreement is not a labor agreement and is not governed by the labor law.

Art. 41. This Mandate Agreement represents the complete agreement between the parties and removes any other prior agreements, written or verbal, occurred between the parties regarding the object of this agreement.

Art. 42. If certain clauses of the present Mandate Agreement become inefficient from the legal point of view, the validity of the other provisions of the present Agreement shall not be affected. In such situations, the parties agree to negotiate in good faith any clause which became inefficient from the legal point of view, adding the negotiated clause to the provisions of the present Mandate Agreement, by concluding an addendum.

Art. 43. All changes which the parties address mutually based on the present Mandate Agreement are performed in writing and are sent by fax, e-mail, certified mail with a confirmation of receipt or by carrier at the addresses indicated at point II of the present Agreement. Depending on the actual situation, the parties shall opt in good faith and reasonably for the best notification method among the ones mentioned in the first thesis of this article, so that the notification can reach its purpose and contribute to the compliance of the agreement's obligations of the parties.

Art. 44. If, anytime during the period of this Mandate Agreement, one of the parties does not insist expressly to impose a certain provision of the Agreement, it does not mean that the party dropped such provisions or dropped the right to impose such provisions.

Therefore we have concluded today _____, on _____, in 2 (two) original copies, the present Mandate Agreement, the parties also stating, they have received each, after signing the present Agreement, one counterpart.

Company

By: _____

Administrator

Mr./Mrs. _____