

**ARTICLES OF INCORPORATION  
OF THE COMPANY "COMCEREAL" S.A. TULCEA  
UPDATED ON 14.02.2015**

**CHAPTER I**

**NAME, LEGAL FORM, REGISTERED OFFICE, DURATION**

**ARTICLE 1 – The name of the company**

The name of the company is COMPANY "COMCEREAL" SA. (T.N. S.A. = J.S.C. = Joint Stock Company).

In all the acts, invoices, advertisements, publications and other acts emanating from the company, the company name will be preceded or followed by the words "JOINT-STOCK COMPANY" or the initials "S.A.", the social capital and the registration number in the Trade Register.

**ARTICLE 2 – The legal form of the company**

The Company "COMCEREAL" S.A. is a Romanian legal person, having the legal form of a joint stock company. It carries out its activity in accordance with the Romanian laws and these articles of incorporation.

**ARTICLE 3 – The company's registered office**

The registered office of the Company "COMCEREAL" S.A. is in Romania, Tulcea town, Isacsei street no. 73, 3<sup>rd</sup> floor.

The registered office of the company may be changed to any other locality from Romania, based on the decision of the General Meeting of Shareholders, according to the law.

The company may have branches, subsidiaries, representative offices, agencies located in other localities in the country and abroad.

**ARTICLE 4 – The duration of the company**

The duration of the company is unlimited, starting with the date of registration in the Trade Register.

**CHAPTER II**

**SCOPE AND ACTIVITY OBJECT OF THE COMPANY**

**ARTICLE 5 – The scope of the company**

The scope of the company is to buy from the agricultural producers and commercialize cereals, legumes and seeds, to provide services to agricultural producers regarding cereal conditioning, storage and sale in the country and abroad.

**ARTICLE 6 – The activity object**

MAIN ACTIVITY: (5210) – Storage

SECONDARY ACTIVITIES:

0111 – Cultivation of cereals (excluding rice), leguminous plants and plants that produce oilseeds  
 0112 – Cultivation of rice  
 0113 – Cultivation of vegetables and melons, root vegetables and tubers  
 0114 – Cultivation of sugarcane  
 0115 – Cultivation of tobacco  
 0116 – Cultivation of plants for textile fibres  
 0119 – Cultivation of other plants from non-perennial crops  
 0125 – Cultivation of fruit from fruit shrubs, strawberries, nuts and other fruit trees  
 0126 – Cultivation of oleaginous fruit  
 0128 – Cultivation of spices, aromatic, medicinal plants and of plants for pharmaceutical use  
 0129 – Cultivation of other permanent plants  
 0130 – Cultivation of plants for breeding  
 0141 – Breeding of milk cattle  
 0142 – Breeding of other cattle  
 0146 – Breeding of swine  
 0147 – Breeding of birds  
 0161 – Auxiliary activities for the vegetables production  
 0162 – Auxiliary activities for the animals breeding  
 0163 – Activities after cropping  
 0164 – Preparing of seeds  
 0210 – Forestry and other forestry activities  
 0230 – Collection of non-woody forest products from the spontaneous flora  
 1039 – Processing and preservation of fruit and vegetables not categorized elsewhere  
 1041 – Production of oils and fats  
 1061 – Manufacture of milling products  
 1071 – Making of bread, cakes and fresh pastry products;  
 1085 – Making prepared food;  
 1089 – Making other food products;  
 2433 – Manufacture of cold formed profiles  
 2511 – Manufacture of metal structures and components of metal structures  
 3311 – Repair of metal fabricated products  
 3320 – Installation of industrial machines and equipments –  
 4520 – Maintenance and repair of motor vehicles  
 4611 – Mediation in the agricultural prime matters, living animals, textile prime matters and semi-products  
 4612 – Mediation in the trade with fuels, ores, metals and chemical products for the industry  
 4613 – Mediation in the trade with wood material and building materials  
 4615 – Mediation in the trade with furniture, household goods and ironware  
 4621 – Wholesale trade of cereals, seeds, forages and crude tobacco  
 4633 – Wholesale trade of dairy products, eggs, oils and eatable fats  
 4636 – Wholesale trade of sugar, chocolate and sugar products  
 4639 – Non-specialized wholesale trade of food products, beverages and tobacco  
 4643 – Wholesale trade of household electrical apparatuses, of radios and televisions sets  
 4644 – Wholesale trade of ceramic, glassware products, and maintenance products  
 4647 – Wholesale trade of furniture, carpets and illuminating articles  
 4649 – Wholesale trade of other household goods  
 4652 – Wholesale trade of components and electronic equipments and for telecommunications

4671 – Wholesale of solid, liquid and gaseous fuels and of related products  
 4673 – Wholesale trade of wood materials and of building materials and sanitary equipments  
 4674 – Wholesale trade of blacksmithing equipment and supplies for sanitary and heating installations  
 4675 – Wholesale of chemical products  
 4676 – Wholesale trade of other intermediary products  
 4690 – Non-specialized wholesale trade  
 4711 – Retail trade in non-specialized shops, selling predominantly food products, beverages and tobacco  
 4719 – Retail trade in non-specialized stores, with predominant sale of non-food products  
 4721 – Retail trade of fresh fruit and vegetables, in specialized shops  
 4722 – Retail trade of meat and meat products, in specialized shops  
 4729 – Retail trade of other food products, in specialized shops  
 4730 – Retail sale of automotive fuel in specialized stores  
 4753 – Retail trade of carpets, rugs, wallpapers and other floor covers, in specialized shops  
 4759 – Retail trade of furniture, lightning articles and household articles, not categorized elsewhere, in specialized shops  
 4941 – Road transports of goods  
 4942 – Moving services  
 5010 – Sea and coastal passengers transport  
 5020 – Sea and coastal goods transport  
 5030 – Passengers transports on interior navigable ways  
 5040 – Goods transport on interior navigable ways  
 5221 – Activities of services related to terrestrial transport  
 5222 – Activities of services related to water transport  
 5224 – Handlings  
 6209 – Other services activities related to information technology  
 6492 – Other crediting activities  
 6499 – Other financial intermediation not categorized elsewhere  
 6820 – Renting and sub-renting of own or leased real estate  
 7712 – Renting and leasing activities of heavy road motor vehicles  
 7739 – Renting and leasing activities of other machines, equipments and tangible assets not categorized elsewhere  
 8130 – Activities of landscaping

### **CHAPTER III**

#### **SHARE CAPITAL. SHARES.**

##### **ARTICLE 7**

The share capital of the company is of 8,177,652.5 lei, divided into 3,271,061 shares with a nominal value of 2.5 lei/share, with the following shareholding structure:

- ARGUS S.A. Constanta, having a contribution to the total share capital of 7.798.025 lei, fully paid representing 3,119,210 shares. The participation quota in benefits and losses is 95.3577%;

- Other shareholders, individuals, having a common contribution to the total share capital of 370137.50 lei, fully paid, representing 148,055 shares. The participation quota in benefits and losses is 4.5263%;
- Other shareholders, legal persons, having a common contribution to the total share capital of 9,490 lei, fully paid, representing 3,796 shares. The participation quota in benefits and losses is 0.1160%.

#### **ARTICLE 8 – The shares**

The record of the shares of the company shall be kept by the Company Depozitarul Central S.A. approved by Decision of the C.N.V.M. (T.N.: National Securities Commission) no. 1407 from 20.06.2006 and modified by Decisions no. 3362/07.11.2006, no. 3564/14.12.2006 and no. 337/12.03.2007.

#### **ARTICLE 9 – Increasing and decreasing the share capital**

The share capital may be decreased or increased on the basis of the decision of the Extraordinary General Meeting of Shareholders, subject to and in compliance with the procedure provided by the law.

#### **ARTICLE 10 – The rights and obligations resulting from the shares**

Each share, subscribed and paid by the shareholders according to the law, entitles them to a vote in the general meeting of shareholders, the right to elect and to be elected in the managing bodies, the right to participate in the distribution of the profit according to the provisions of this constitutive act and of legal provisions and to other rights provided for in the articles of incorporation.

Owning the share implies to rightfully adhere to the articles of incorporation herein.

Rights and obligations related to shares follow the shares in the event of their being transferred to other persons.

The company's obligations are guaranteed by the share capital of the company, and the shareholders are responsible according to the value of the shares they hold.

The patrimony of the company can not be burdened by debts or other personal obligations of the shareholders. A creditor of a shareholder may formulate claims on that share of the company's profits which will be distributed to him by the General Meeting of Shareholders or on the quota of the shareholder's share in the liquidation of the company, carried out under the terms of these articles of incorporation.

#### **ARTICLE 11 – The transfer of shares**

The shares are indivisible with respect to the company, which only recognizes one owner per each share.

The partial or total transfer of shares between the shareholders or third parties is done under the conditions and with the procedure stipulated by the law.

### **CHAPTER IV**

#### **GENERAL MEETING OF SHAREHOLDERS**

#### **ARTICLE 12 – The attributions of the ordinary general meeting of the shareholders**

The ordinary general meeting of shareholders has the following main attributions:

- a) to discuss, approve or amend the annual financial statements on the basis of the reports submitted by the sole administrator and by the financial auditor and to establish the dividend;
- b) to choose and revoke the sole administrator and the censors;
- c) to appoint or dismiss the financial auditor and to establish the minimum duration of the financial audit contract;
- d) to set the due remuneration for the current financial year for the sole administrator
- e) to pronounce themselves on the management of the sole administrator;
- f) to establish the revenue and expenditure budget and the activity schedule for the next financial year;
- g) to decide the pledging, renting or dismantling of one or more units of the company;
- h) to decide on any other issues concerning the company.

**ARTICLE 13 - The Extraordinary General Meeting of the Shareholders has the following main attributions:**

- a) changing the legal form of the company;
- b) relocation of the company's registered office;
- c) changing the company's object of activity;
- d) the establishment or dissolution of secondary offices: branches, agencies, representative offices or other such units without legal personality;
- e) increase of the share capital;
- f) reduction of the share capital or its reintegration by issuing new shares;
- g) merger with other companies or division of the company;
- h) converting the shares from one category to another;
- i) issuance of bonds;
- j) conversion of a category of bonds into another category or into shares;
- k) any other amendment of the articles of incorporation or any other decision for which the approval of the extraordinary general meeting is required.

**ARTICLE 14 – Convening the General Meeting of Shareholders**

The general meeting is convened by the sole administrator of the company whenever necessary.

The term of the meeting may not be less than 30 days after the publication of the notice in the Official Gazette of Romania, Part IV.

The convocation is published in the Official Gazette of Romania, Part IV and in one of the widely spread newspapers in the locality where the company's registered office is located.

The convocation will include the place and the date of the meeting, as well as the agenda, with an explicit mention of all the issues that will be the subject of the meeting's deliberations.

If the agenda includes the appointment of the sole administrator of the company, the notice of convocation shall mention that the list containing information on the name, the place of residence and the professional qualification of the persons proposed for the position of sole administrator is at the disposal of the shareholders, so that it can be consulted and completed by them.

When the agenda includes proposals for amending the articles of incorporation, the notice of convocation should include the full text of the proposals.

The sole administrator of the company immediately convenes the general meeting at the request of the shareholders representing individually or collectively at least 5% of the share capital, if the request includes provisions that come within the attributions of the assembly.

#### **ARTICLE 15 – The organization of the general meeting of shareholders**

The ordinary general assembly meets at least once a year within at most 4 months of the end of the financial year.

For the validity of deliberations of the ordinary general meeting it is necessary to present the shareholders holding at least 1/4 of the total number of voting rights. The decisions of the ordinary general meeting are taken with the majority of the casted votes.

If the ordinary general meeting can not work because of non-fulfilment of the conditions stipulated in the paragraph above, the meeting that will meet at the second convocation may deliberate on the items on the agenda of the first meeting, regardless of the quorum, taking decisions with the majority of the casted votes.

For the validity of the deliberations of the extraordinary general meeting, the presence of the shareholders holding at least 1/4 of the total number of voting rights at the first convocation shall be required, and at the following convocation, the presence of the shareholders representing at least 1/5 of the total number of voting rights.

The decisions of the extraordinary general meeting are taken with the majority of the votes held by the shareholders who are present or represented. The decision to modify the company's main object of activity, to reduce or increase the share capital, to change the legal form, to merge, to divide or to dissolve the company shall be taken by a majority of at least 2/3 of the voting rights held of the shareholders who are present or represented.

On the day and hour shown in the convocation notice, the meeting of the assembly will be opened by the sole administrator of the company or by the one who takes its place.

The general meeting shall elect from among the present shareholders one secretary who will check the shareholders' presence list, indicating the share capital of each of them, the minute prepared by the technical secretary for carrying out all the formalities required by law.

The sole administrator of the company will be able to designate from the employees of the company a technical secretary who will prepare the minute of the meeting. The minute of the meeting will be signed by the president and the secretary who drafted it.

#### **ARTICLE 16 – Exercising the right to vote in the General Meeting of Shareholders**

The decisions of the general meetings are taken by open vote.

The secret vote is mandatory for the appointment or revocation of the sole administrator, for the appointment, revocation or dismissal of the financial auditors and for making decisions regarding the liability of the members of the administration, management and control bodies of the company.

The decisions of general meetings are mandatory even for the absent or unrepresented shareholders.

#### **ARTICLE 17 – The organization**

The company is administered in unitary system, by a sole administrator, elected by the general meeting of the shareholders for a period of 4 years, which can also act as a shareholder.

The legal provisions regarding the board of directors shall apply to the sole administrator in an appropriate manner.

#### **ARTICLE 18 – The duties of the sole administrator and of the managers of the company**

The sole administrator of the company has the following basic competencies, which can not be delegated to the managers:

- a) establishing the main directions of activity and development of the company;
- b) establishing the accounting and financial control system and approving the financial planning;
- c) the appointment and dismissal of the managers and their remuneration;
- d) supervising the activity of the managers;
- e) preparation of the annual report, organization of the general meeting of shareholders and the implementation of its decisions;
- f) filing the application for the opening of the insolvency procedure of the company.

The sole administrator of the company may delegate the management of the company to a general manager.

The power to represent the company belongs to the general manager.

The sole administrator of the company retains the attribution to represent the company in the relations with the general manager.

The way of organizing the activity of the managers and their attributions will be determined by a decision of the sole administrator of the company.

### **CHAPTER VI COMPANY'S MANAGEMENT**

#### **ARTICLE 19 – The company's audit**

The financial statements of the company will be audited by a financial auditing firm, elected for a period of 2 years.

The company will also organize the internal audit according to the standards elaborated by the Chamber of the Financial Auditors from Romania. The internal auditor is obliged to supervise the management of the company, to check whether the financial statements are legally compiled and in accordance with the registers, if the latter are kept regularly and if the evaluation of the patrimonial items has been done according to the rules established for the preparation and presentation of the financial statements.

### **CHAPTER VII COMPANY'S ACTIVITY**

#### **ARTICLE 20 – The financial year**

The financial year begins on 1<sup>st</sup> of January and ends on 31<sup>st</sup> of December of each year. The first financial year begins on the date when the company is established.

#### **ARTICLE 21 – Company's staff**

The sole administrator of the company is elected by the ordinary general meeting of the shareholders.

The rest of the staff is employed by the general manager of the company.

The rights and obligations of the company's staff are determined by the sole administrator of the company or by the general manager of the company.

#### **ARTICLE 22 – Amortization of fixed assets**

The amortization of the fixed assets is carried out under the conditions provided by law.

#### **ARTICLE 23 – The accounting records and the balance sheet**

The company will keep the accounting records in lei, will prepare annually the balance sheet and the profit and loss account, taking into account the methodological norms developed by the Ministry of Finance.

The balance sheet and the profit and loss account will be published in the Official Gazette of Romania, according to the law.

#### **ARTICLE 24 – The profit of the company**

The company's profit is based on the balance approved by the general meeting of the shareholders. The taxable profit is established in accordance with the law.

From the profit of the company left after the payment of the profit tax, funds can be created for the modernization, research and development of new products, investments.

The Company constitutes a reserve fund and other funds under the terms of the law.

Payment of dividends due to shareholders will be made by the company under the terms of the law.

In the event of loss, the general meeting of shareholders will analyse the causes and decide accordingly.

The losses will be borne by the shareholders and they will be proportionate to the capital contribution and within the limit of the subscribed capital.

#### **ARTICLE 25 – Company's registers**

The company keeps the registers provided by law.

### **CHAPTER VIII**

### **LEGAL FORM CHANGE, DISSOLUTION, LIQUIDATION, LITIGATIONS**

#### **ARTICLE 26 – The change of the legal form**

The company can be transformed into another form of company by the decision of the extraordinary general meeting of the shareholders.

#### **ARTICLE 27 – The company's dissolution**

The following situations lead to the dissolution of the company:

- impossibility to achieve the object of activity;
- bankruptcy;
- the loss of half of the share capital, after the reserve fund has been used, if the general shareholders' meeting does not decide to add the share capital or reduce it to the remaining amount;
- the number of shareholders will be reduced below 2 for more than 9 months;



- at the request of any shareholder if the circumstances of force majeure and their consequences last for more than 8 months, and in the general meeting of the shareholders it is found that the functioning of the company is no longer possible;

- in any other case, based on the decision of the general meeting of shareholders, taken unanimously.

The dissolution of the company must be registered in the Trade Register and published in the Official Gazette of Romania

#### **ARTICLE 28 – The company’s liquidation**

In case of dissolution, the company will be liquidated.

The liquidation of the company and the distribution of the patrimony are done under the conditions and in accordance with the procedure provided by the law.

#### **ARTICLE 29 – The litigations**

The litigations of any kind arising between the company and natural or legal persons are within the jurisdiction of the ordinary courts.

The litigations can also be resolved by arbitration.

### **CHAPTER IX – FINAL PROVISIONS**

#### **ARTICLE 30**

The provisions of the present articles of incorporation are supplemented by the legal provisions regarding the companies.

**SOLE ADMINISTRATOR**

**IOAN PAUNA**