

**Professional Association
“COGEN ROMANIA”**

STATUTE

THE UNDERSIGNED COMMERCIAL COMPANIES:

1. CET Arad S.A., residing at Arad City, FN Calea 6 Vanatori, represented by Mr. Lucian Barniciu, in capacity of Managing Director;
2. CET S.A. Bacau, residing at Bacau City, 6 Chimiei Str., represented by Mr. Vasile Dragusanu, in capacity of Managing Director;
3. CET Brasov S.A., residing at Brasov City, 6 Timis-Triaj Str., represented by Mr. Gheorghe Radoi;
4. CET S.A. Braila, residing at Braila City, Soseaua Viziru km 10, represented by Mr. Vasile Muntenita, in capacity of Managing Director;
5. CET Govora S.A., residing at Ramnicu Valcea City, 2 Uzinei Street, represented by Mr. Mihai Balan, in capacity of Managing Director;
6. CET Iasi S.A., residing at Iasi City, 2 Calea Chisinaului, represented by Mr. Mihai Ion, in capacity of Managing Director;
7. ELECTROCENTRALE S.A. Oradea, residing at Oradea City, 23 Borsului Str., represented by Mr. Dragos Gligor, in capacity of Managing Director;
8. ENERGOTERM Resita S.A., residing at Resita, 1 B-dul Revolutia din Decembrie, represented by Mr. Alexandru Galan, in capacity of Managing Director;
9. ENET S.A. Focsani, residing at Focsani City, 4 B-dul Bucuresti, represented by Mr. Valter Popescu, in capacity of Managing Director;
10. R.A.M. Buzau, residing at Buzau City, B-dul Unirii, Bl. 8 FGH, represented by Mr. Victor Busuioc, in capacity of Managing Director;
11. TERMICA Botosani S.A., residing at Botosani City, 28 Pacea Str., represented by Mr. Bogdanel Stefan Pandiru, in capacity of Managing Director;
12. TERMICA S.A. Suceava, residing at Suceava City, 1 Energeticianului Str., represented by Mr. Constantin Placinta, in capacity of Managing Director;
13. TERMICA Vaslui S.A., residing at Vaslui City, 3 Podul Inalt Str., represented by Mr. Marin Puescu, in capacity of Managing Director;
14. TERMOELECTRICA S.A. Giurgiu, residing at Giurgiu City, 194 Sloboziei Str., represented by Mr. Sorin Cepraga, in capacity of Managing Director;
15. TERMOELECTRICA Ploiesti S.A., residing at Ploiesti City, 2 Bd. Republicii, Palat Administrativ, et. 6, represented by Mr. Sandu Moise, in capacity of Managing Director;
16. TERMOCET 2002 S.A. Timisoara, residing at Timisoara City, 1 Romanilor Str., represented by Mr. Matei Aurel, in capacity of Managing Director;
17. TERMOFICARE 2000 S.A. Pitesti, residing at Pitesti City, Calea Bucuresti, bloc U4, represented by Mr. Iulian Richiteanu, in capacity of Managing Director;
18. TERMON S.R.L. Onesti, residing at Onesti City, 16 Fantanele Str., represented by Mr. Constantin Paval, in capacity of Managing Director;
19. UZINA ELECTRICA Gurabarza S.A., residing at Criscior Town, 1 Uzinei Str., represented by Mr. Adrian Grosu, in capacity of Managing Director;
20. UZINA TERMICA Calafat S.A., residing at Calafat City, 1 Termocentralei Str., represented by Mr. Ion Vintila, in capacity of Managing Director;
21. UZINA TERMICA Comanesti S.A., residing at Comanesti City, 13 Moldovei Str., represented by Mr. Mihai Calin, in capacity of Managing Director;
22. UZINA ELECTRICA Zalau S.A., residing at Zalau City, 2 Valea Mitei Str., represented by Mr. Marian Viorel, in capacity of Managing Director;

gathered through their legal representatives in the Associates General Assembly from 26th February 2003 in Baile Felix health resort, Oradea County, expressing themselves their free will to associate as founding partners, decided to adopt the following

STATUTE

Ch. I General provisions

Art. 1. The association's denomination is "COGEN ROMANIA", denomination available and in accordance with the Denomination Availability Proof no. 17511 dated 7th February 2003 issued by the Ministry of Justice – Public Relations and NGO Cooperation Department, denomination which will be mentioned in all it's documents and certificates.

Art. 2. "COGEN ROMANIA" Association is a professional association, apolitical and independent, which was founded by the founding members' consent expressed in the constitutive document, as a private law legal person, without a patrimony purpose, in conformity with the stipulations of the GO no. 26 / 2000 completed with the stipulation of the GO no. 37 / 2003 regarding the associations and the endowment institutions.

Art. 3. (1) "COGEN ROMANIA" Association resides at 2 Uzinei Str., Ramnicu Valcea City, Valcea County, Romania.

(2) The association headquarters may be changed, varying with the necessities, by the Board of Directors decision.

(3) "COGEN ROMANIA" may found representation agencies inside the country or abroad, without being legal persons, by the Board of Directors' decision, to enable the relations with the headquarters and other natural and legal persons.

(4) "COGEN ROMANIA" may found, adhere and affiliate with other domestic and international organizations and establish direct relations with other domestic and international organizations, legally and in accordance with this statute provisions.

Art. 4. The operating time of the "COGEN ROMANIA" Association is unbounded, starting with the date of establishing as a legal person.

Art. 5. The original patrimony of "COGEN ROMANIA" Association, made up by partners' pecuniary contribution, amounts ROL 5.000.000, according to the legal provisions.

Art. 6. "COGEN ROMANIA" has the sigle, stamps, typified forms and other insignias owned, which can be used and modified based on the Board of Directors' decision and in accordance with the legal provisions.

Ch. II. Purpose and objectives

Art. 7. The purpose of founding the "COGEN ROMANIA" Association is setting up partnerships together with natural and legal persons, including public authorities, in order to facilitate the access to the private and public resources, the aim being the promotion of power development policies and the protection of the environment and nature.

Art. 8. The main objectives of the "COGEN ROMANIA" Association are:

- a. Transferring the heat production, delivery, transport and distribution under an unique management;
- b. Promoting normative acts towards central decisional and regulation institutions, in order to insure the development of the domestic cogeneration capacities;
- c. Introducing a program for modernizing and improving the national power system (electrical and thermal) by insuring long term, internal and external credits with a governmental support.

Art. 9. (1) "COGEN ROMANIA" will perform all the necessary activities in order to achieve its purpose and objectives.

(2) Association activities will be carried out both in its own structures and in cooperation with other natural and legal persons, domestic and from abroad. There may be established typical structures within the association (multifunctional centre, computer center, informational center, library, publications) in order to serve the association's goal and objectives.

(3) For the purpose of achieving his goals, "COGEN ROMANIA" is enabled to hire personnel and to pay salaries, to establish co-operation conventions, to conclude contracts for goods and services with natural and/or legal persons, as needed and in accordance with the legal regulation.

(4) For his own good functionality, "COGEN ROMANIA" is enabled to establish internal regulations that are consistent with the legal provisions and the present statute.

(5) In order to achieve his own goals, "COGEN ROMANIA" can receive sponsorship from natural and legal persons, by the means of financial funds or other kinds of support. The sponsors are enabled to have access to the information regarding "COGEN ROMANIA" agenda and his activities and to be promoted in the advertising ads of the association.

Chapter III. The members of the association

Art. 10. The members of "COGEN ROMANIA" Association are:

- a. founder members
- b. associated members

The founder members are natural and legal persons that have established the purpose, goals and statute of "COGEN ROMANIA" and have agreed to act for the achieving of these goals. The founder members are representative for the association interests and act for gaining the legal person status and to achieve the intended goals.

The founder members have gained this quality due to their participation at the Constitutive General Assembly and then by the means of signing the adhesion application forms.

The associated members can be natural or legal persons that are interested in the achievement of the association's goals and objectives, support the activity and interest of the same and totally agree to the provisions of the statute.

The status of associated member may be gain and withdraw by the Associates General Assembly, based on the Board of Directors proposal; the decision cannot be disputed by the subject person.

Ch. IV. The rights and duties of the members

Art. 11. The members of the "COGEN ROMANIA" Association have the following rights:

- a. To attend to the association's general assembly meetings and to vote regarding the decisions taken;
- b. To participate to the debates;
- c. To equally benefit from the association services;
- d. To propose and initiate actions and programs according to the statute;
- e. To participate to the activities initiated by the association;
- f. To elect and to be elected in the association's managing positions, according to the provisions of the statute;
- g. To recommend applicants as new members;
- h. To submit articles for the association's publications;
- i. To attend as individual entities or as association's representatives to the conventions, conferences, seminars, symposiums organized inside the country and abroad.

Art. 12. The members of the "COGEN ROMANIA" Association have the following duties:

- a. To abide by the statute and the decisions of the association's managing bodies;
- b. To pay the membership subscription;
- c. To take part in the activities program organized by the association;
- d. To promote, to sustain, to represent and to protect the association interests through their actions;
- e. To be a party to the drawing up of the programs, projects and documents specific to the association's activities;
- f. To be confidential with respect to the solutions and decisions adopted within the association.

Art. 13. (1) One member of the "COGEN ROMANIA" association can be deprived of this title in the following situations:

- a) By written renunciation;
 - b) By not abiding by the statute;
 - c) By depriving of the civil rights through a final judicial verdict;
 - d) By not paying the membership subscription for more than 6 months;
 - e) By decease – for the natural persons, and by abrogation – for the legal persons;
- (2) The Board of Directors assesses the situation and takes a decision in this respect.

Ch. V. The association patrimony

Art. 14. "COGEN ROMANIA" has his own patrimony, indivisible and non-transmissible, made out of movables, immobile assets and financial means; the patrimony may be increased or decreased according to interests, possibilities and legal provisions.

Art. 15. The association's financial resources come from:

- a) Registration fee and subscription, established by the General Assembly Decision (these sums are fiscally deductive);
- b) Donations from natural and legal persons, domestic or from abroad;
- c) Sponsorships from natural and legal persons, domestic or from abroad;
- d) Financial incomes consisting mainly of association's interests to the accounts current and bank deposits, and also other financial incomes legally obtainable;
- e) Activities carried out by the association;
- f) Alienation of assets or copy-rights – association property (this can be done only with the preliminary approval by the "COGEN ROMANIA" Association General Assembly);
- g) Incomes from organizing courses, conferences and symposiums, selling periodicals, advertisement, show-rooms and other similar activities;
- h) Incomes shares from publicity studies, surveys or projects.

Art. 16. The association financial resources are used:

- a) To cover own expenses for the good management of the association including the indemnities for the Board of Directors' members and the salaries for employees and co-workers;
- b) To purchase and / or rent offices, goods or services needed to run the association, to carry on it's activities and to promote it's image;
- c) To finance projects;
- d) To register as a member or to associate with other organizations within the country or from abroad;
- e) To finance awards, scholarships, participations to conferences and reunions within the country or from abroad;
- f) To acquire copy-rights, know-how and other immaterial assets;
- g) To pay the expenses arising from the patrimony, duties and fees.

Art. 17. "COGEN ROMANIA" Association will open ROL and other currencies accounts current in order to carry on its activities.

Art. 18. The financial activity is carried on based on the budget approved by the General Assembly and in conformity with the legal provisions.

Ch. VI. Structure and operating

Art. 19. "COGEN ROMANIA" Professional Association's bodies are:

- a. Associates General Assembly
- b. Board of Directors
- c. Censor

GENERAL ASSEMBLY

Art. 20. (1) The supreme managing body of COGEN ROMANIA professional association is the Associates

General Assembly made out of all its members, which gathers twice a year in common conference and every time this becomes necessary in extraordinary conference; the conferences may take place either at the association's headquarters or at another location purposefully mentioned in the convocation.

(2) The Associates General Assembly has the following duties:

- a) Modifies and / or completes the constitutive act and the statute;
- b) Approves the strategy, the general objectives and the yearly activities program;
- c) Elects and annuls the association's president and the Board of Directors' members, at the president's recommendation;
- d) Elects and annuls the censor at the Board of Directors' recommendation;
- e) Sets out the indemnity for the Board of Directors' members and for the censors;
- f) Approves the Board of Directors' yearly activities report;
- g) Validates the decisions taken by the Board of Directors between the conferences;
- h) Takes note of the censor's report;
- i) Approves the incomes and expenses budget implementation and the yearly financial situation;
- j) Approves the Board of Directors administration discharge for the preceding year, based on the censor's explicit approval in his/her yearly report;
- k) Approves the fusion, the dissolution and / or the liquidation of the association and establishes the destination for the assets after the liquidation, based on the Board of Directors suggestion;
- l) Approves the subscription list for the association members and the registration fee, based on the Board of Directors suggestion;
- m) Validates the founding or the abrogation of the representative agencies within the country or abroad;
- n) Validates the adhesion to or affiliation to other organizations within the country or abroad;
- o) Decides in regards to any problem for which the General Assembly approval is requested;
- p) Designates the Associates General Assembly secretary and the Board of Directors secretary;
- q) Fulfills any other duties which rest with it through different legal decisions;
- r) Grants or withdraws the honor member title, based on the Board of Directors recommendation.

Honor members may be notorious natural or legal persons, Romanians or foreigners, well-known for their scientifically or managerial achievements and who support "COGEN ROMANIA" interests and contribute to its prestige, throughout their activity.

Art. 21. (1) The General Assembly is summoned for the common meeting with at least 15 days before by agenda communication established by the Board of Directors, based on the necessities and on the recommendations received from the associates.

(2) It is binding that the Associates General Assembly to be summoned within three months from the end of the financial period to examine the yearly financial situation and the profit and losses account for the preceding year and to establish the activity program and the budget for the current year.

(3) Summoning the extraordinary conference is done based on the recommendation of the president or of at least five associate members or of the censor, within at least five days before the settled date, in order to solve the urgent issues, which can not be delayed till the common conference.

Art. 22. (1) The General Assembly is legally constituted and can take decisions in the presence of the simple majority of its members. The honor members may also attend the general meeting and they may state their point of view.

(2) The associate member or - for natural persons – his/her spouse, ascending line or descending line, collateral relatives or in-laws to the fourth grade included who has a personal interest in one of the issues subject to the general assembly is not allowed to participate neither to discussions nor to vote. The associate who does not obey the provisions of this paragraph is responsible for any damages caused to the Association in case the required majority wouldn't have been obtained without his/her vote.

(3) In case that the General Assembly does not meet the statutory number of participants on the summons date, the General Assembly meets without any further notification within 10 calendar days, at the same location and this time it is considered to be legally constituted and can make decisions, regardless of the number of participants.

(4) The "COGEN ROMANIA" Association members – legal persons – may be represented in the

General Assembly conferences by the managing director of the organization or by a representative on a written mandate basis.

Art. 23. (1) The General Assembly conferences are presided by the president or, in his absence, by the vice-president.

(2) The carrying on of the conferences is written down in a report by the Association secretary. The report is signed by the chairman of the conference and is kept in the archives through the good offices of the secretary.

Art. 24. (1) The General Assembly decisions are adopted by open vote by a simple majority of votes of all the members attending the conference; in case of a tie vote the casting vote is the one of the president's or, in his absence, the one of the vice-president's.

(2) The General Assembly decisions are binding for all the association members, regardless they attended the conference or they voted against them.

(3) The General Assembly decisions are drawn up by the secretary, signed by the chairman of the conference, sent to the associate members and kept in the archives through the good offices of the secretary.

(4) The General Assembly decisions considered to be against the law or against the statute by any member who did not attend the general assembly or who voted against them and asked that this fact to be stated in the meeting report, are open to legal attack within 15 days from the conference date.

THE BOARD OF DIRECTORS

Art. 25. (1) The Board of Directors is the executive body of the Association and runs its activity between the General Assembly conferences.

(2) The Board of Directors is made out of five members – with at least three founding members.

(3) The Association president is also the president of the Board of Directors.

(4) The Board of Directors' mandate lasts for 4 years.

(5) The Board of Directors meets monthly and every time it is necessary, either at the Association headquarters or at any other location stated in the summons. The meetings are led by the president or, in his absence, by the vice-president.

(6) The Board of Directors meetings reports and decisions are drawn up by the secretary and signed by the president. They are kept in the archives and sent to all the interested members through the good offices of the secretary.

(7) The Board of Directors meetings can only take place in the presence of at least three members, and the decisions are taken by a simple majority of votes. In case of a tie vote, the casting vote is the one of the president / vice-president.

(8) Any person holding a managing position within a public institution supported by the association can not be a member of the Board of Directors.

(9) The Board of Directors member, his/her spouse, ascending line or descending line, collateral relatives or in-laws to the fourth grade included who has a personal interest in one of the issues subject to the Board of Directors vote is not allowed neither to participate to discussions nor to vote. Otherwise this person is responsible for any damages caused to the Association in case the required majority of votes wouldn't have been obtained without his/her vote.

(10) The Board of Directors has the following duties:

a. Carries into effect the decision taken by the General Assembly;

b. Manages the Association between the General Assembly conferences;

c. Submits for the General Assembly approval the yearly activity report, the fulfilling of the incomes and expenses budget, the yearly financial situation, the incomes and expenses budget project, one mandate long strategy project and the yearly activities projects, in order to accomplish the general objectives mentioned in the approved strategy;

d. Concludes legal documents on behalf of and in charge of the association;

e. Decides related to the financial resources use, within the limiting value of the incomes and expenses

- budget, approved by the General Assembly;
- f. Approves the organizational chart, personnel policy and the rights and obligations of the association employees, following the president's recommendation;
 - g. Decides upon Association patrimony;
 - h. Proposes to grant or withdraw the honor member title;
 - i. Proposes to receive or withdraw the associate member quality.
 - j. Proposes fusion or liquidation of the association to the General Assembly and the destination of the assets;
 - k. Decides establishment or liquidation of representative agencies inside the country or abroad;
 - l. Decides founding of, association or affiliation to other organizations inside the country or abroad.
 - m. Proposes new entities to be established inside the association to the General Assembly, needed to perform the association's proposed activities.
 - n. Authorize the President of the Board of Directors to represent the association in the national and international relationships and to act in the name of the association i.e. signing documents related to the relations with natural and juridical persons inside the country and abroad.
 - o. Decides to delegate the fulfillment of duties or actions to the members of the association or other natural persons, according to the scope and the objectives of the association.
 - p. Decides upon relocation of the headquarters location.
 - r. Decides regarding the issues in which the association is involved or his members.
 - s. Decides regarding the association's sign (logo), stamps and typified forms.

PRESIDENT OF THE BOARD OF DIRECTORS.

Art. 27. The President is elected for a 4 years mandate.

Art. 28. (1) The President duties are:

- a. To co-ordinate of the Association's whole activity and to watch over the fulfillment of the General Assembly resolutions and Board of Directors decisions;
- b. To represent the association in the relations inside the country and abroad and to engage the association by signing agreements with natural and legal persons inside the country and abroad;
- c. To conclude and to cancel employment contracts for the personnel as well as conventions for co-operation with natural persons, according to the legal provisions;
- d. To conclude and to cancel cooperation agreements and acquisition contracts for goods and services with natural and legal persons inside the country and abroad;
- e. Is responsible in front of the General Assembly for all his actions;
- f. To convoke the General Assembly Board of Directors meetings;

(2) The President may take written decisions.

FIN AUDITOR

Art. 29. (1) The internal finance audit of the association is performed by a censor.

(2) In case the number of members that joined the association is exceeding 100, the internal finance audit will be performed by a censorship commission consisting of three persons, members of the association.

(3) The members of the Board of Directors cannot be elected as censors.

(4) At least one of the censors has to be authorized bookkeeper or expert bookkeeper, according to the legal provisions.

Art. 30. The censor (censorship commission) has the following duties:

- a. Verifies the way the association patrimony is managed;
- b. Draws up reports and submits them to the General Assembly;
- c. May attend the Board of Directors meetings, without the right to vote;
- d. Fulfills other obligations established by the general assembly.

Ch. VII. Merging, dissolving and abolition of COGEN ROMANIA professional association

Art. 31. Merging may be decided by the Association General Assembly, applying the legal provisions in this field.

Art. 32. (1) Dissolving can occur as a consequence to the legal provisions, decision of the General Assembly, in case the goal of the association cannot be achieved, as well as in any situation which is specifically statute by the law.

(2) The dissolving procedure is completed by the Board of Directors, according to the legal provisions.

Art. 33. In case of association abolition the patrimony assets will have the destination decided by the General Assembly or by the competent judicial instance in case of misunderstandings.

Ch. VIII. Final dispositions

Art. 34. (1) Any litigation arising between the "COGEN ROMANIA" Association and third parties will fall under the judicial instance competence.

(2) The litigation arising from relations stipulated by contracts between the association and third parties may be solved by arbitration, in conformity with the parties agreement.

(3) The association litigation arising from employees relations will be solved in respect with the Romanian labor legal provisions.

Art. 35. Legal association provisions and other purposefully laws are added to this statute stipulation.

This statute has been adopted by the Associates General Assembly on 26th February 2003.

The and alteration of This statute can completed and amended throughout additional acts, according to legal provisions and approved by the Associates General Assembly.

This statute is taking effect starting with its date of certification by a public notary.

1. CET Arad S.A., Mr. Lucian Barniciu as Managing Director	12. TERMICA S.A. Suceava, Mr. Constantin Placinta as Managing Director
2. CET S.A. Bacau, Mr. Vasile Dragusanu as Managing Director	13. TERMICA Vaslui S.A., Mr. Marin Puescu as Managing Director
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