



**OILFIELD EQUIPMENT MANUFACTURING AND REPAIRS**

243 MIHAI BRAVU St., code 100410, PLOIESTI , PRAHOVA-ROMANIA  
 Phone: + 40(0)244 / 541399, 523455; 0372441111; Fax: 544531, 521181; E-mail:  
 office@uztel.ro

TAX CODE RO1352846 , R.C. PLOIESTI NO. J29/48/1991; web site: [www.uztel.ro](http://www.uztel.ro)

**IN REORGANIZARE JUDICIARA**

**IN JUDICIAL REORGANISATION**

**EN REDRESSEMENT**

"Comply or Explain" Statement

BSE Corporate Governance Code

Principle/ Recommendation		Question	YES	NO	If NOT, please EXPLAIN
P19		Is the Company managed under a dualist system?		No	The company is under Reorganization having a wide right of management
P1	R1	Has the Company drawn up Bylaws/Corporate Governance Regulations to describe the main aspects of the corporate governance?		No	The company is under Reorganization having a wide right of management
		Are the By-laws/Corporate Governance Regulations posted on the Company website, indicating the last update?		No	The company is under Reorganization having a wide right of management
	R2	Are the corporate governance structures, positions, components and responsibilities of the Supervisory Board (SB) and of the Executive Board defined in the Bylaws/Corporate Governance Regulations?		No	The company is under Reorganization having a wide right of management
	R3	Does the Company Annual report include a chapter on corporate governance describing all the relevant events related to the corporate governance, recorded during the previous financial year?		No	The company is under Reorganization having a wide right of management
		Does the Company disseminate on its website the information related to the following aspects of its corporate governance policy: a) A description of its corporate governance structures?		No	The company is under Reorganization having a wide right of management
		b) The updated articles of incorporation?		No	The company is under Reorganization having a wide right of management
		c) The internal operating rules / essential aspects for each specialty commission / committee?		No	The company is under Reorganization having a wide right of management
		d) The "Comply or explain" Statement?	Yes		
e) The list of members of the Supervisory Board, mentioning which members are independent, of the Executive Board and of the specialty commissions/committees?			No	The company is under Reorganization having a wide right of management	
f) A brief CV for each member of the Supervisory Board and of the Executive Board?		No	The company is under Reorganization having a wide right of management		
P2		Does the Company abide the rights of the financial instrument holders, providing them an equal treatment and submitting any modification of the rights to approval in the special meetings of these holders?	Yes		
P3	R4	Does the Company publish in a special section of its website the details on the General Meetings of Shareholders (GMS): a) GMS convening notice?	Yes		
		b) materials/documents related to the agenda as well as any information on the topics on the agenda?	Yes		
		c) special proxy forms?	Yes		
R6		Has the issuer drawn and proposed to GMS procedures for the efficient and proper development of the GMS agenda without any damage to the right of any shareholder to express his/her free opinion on the debated topics?		No	The company is under Reorganization having a wide right of management



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	R8	Does the issuer publish in a special section of its website the shareholders' rights as well as the regulations to attend the GMS?		No	The company is under Reorganization having a wide right of management
		Does the issuer inform in due time (immediately after the GMS) all the shareholders in the dedicated section of its website:	Yes		
		a) on the decisions adopted within GMS?			
		b) on the detailed result of the vote?	Yes		
		Does the issuer publish in the special section of its website, easily identifiable and accessible: a) Current reports /press releases?	Yes		
		b) Financial reporting calendar, annual reports, quarter and semester reports?	Yes		
	R9	Is there a special department/person within the company specialized in investor relations?	Yes		
P4. P5	R10	Does the Supervisory Board meet at least once a trimester to monitor the issuer's activity?		No	The company is under Reorganization having a wide right of management
	R12	Has the issuer a set of rules on the conduct and obligations to report transactions with shares or other financial instruments issued by the company ('company securities ') made on their own name by the members of the Supervisory Board, of the Executive Board and other involved natural persons?		No	The company is under Reorganization having a wide right of management
		If a member of the Supervisory Board, of the Executive Board or any other involved person makes on his/her own interest a transaction with the company shares, is the transaction disseminated through the company website, according to the related Rules?		No	The company is under Reorganization having a wide right of management
P6		Does the structure of the Issuer's management bodies provide a balance between the executive and non-executive members (and especially independent non- executive directors) so that no person or group of persons may dominate, in general, the decision-making process?		No	The company is under Reorganization having a wide right of management
P7		Does the structure of the Supervisory Board provide a sufficient number of independent members?		No	The company is under Reorganization having a wide right of management
P8	R15	Has the Supervisory Board - during its activity, the support of any advisory commissions / committees charged with the examination of specific topics chosen by Board and the counseling of the Board on these themes?		No	The company is under Reorganization having a wide right of management
		Do the advisory commissions/committees present activity reports to the Supervisory Board on the subjects entrusted to them?		No	The company is under Reorganization having a wide right of management
	R16	For the assessment of the independence of its members, does the Supervisory Board use the assessment criteria listed in the Recommendation 16?		No	The company is under Reorganization having a wide right of management
	R17	Do the Executive Board members permanently improve their knowledge through training/formation in corporate governance?		No	The company is under Reorganization having a wide right of management
P9		Has the selection of the Supervisory Board members a procedure based on transparency (objective criteria regarding the personal/professional qualification etc.)?		No	The company is under Reorganization having a wide right of management



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P10		Is there a Nomination Committee within the company?		No	The company is under Reorganization having a wide right of management
P11	R21	Does the Supervisory Board analyze at least once a year the need to create a remuneration committee / the remuneration policy for the members of the Supervisory Board and the Executive Board?		No	The company is under Reorganization having a wide right of management
		Has the remuneration policy been approved by the GMS?		No	The company is under Reorganization having a wide right of management
	R22	Is there a Remuneration Committee formed exclusively of non-executive members of the Supervisory Board?		No	The company is under Reorganization having a wide right of management
	R24	Is the company remuneration policy presented in the By-laws/Corporate Governance Regulations?		No	The company is under Reorganization having a wide right of management
P12. P13	R25	Does the issuer disseminate, in English, the information representing the subject of the reporting requirements:		No	
		a) periodic information (periodic providing of information)?			
		b) continuous information (continuous providing of information)?		No	
		Does the Issuer prepare and disseminate the financial reporting according to IFRS?	Yes		
	R26	Does the issuer promote, at least once a year, meetings with the financial analysts, brokers, rating agencies and other market specialists with the purpose to present the financial elements relevant to the investment decision?	Yes		
	R27	Is there an Audit Committee within the company?		No	
	R28	Does the Supervisory Board or the Audit Committee, as the case may be. examine on a regular basis, the efficiency of the financial reporting, internal control and risk management system adopted by the company?		No	The company is under Reorganization having a wide right of management
	R29	Is the Audit Committee exclusively made of non-executive members of the Supervisory Board and has it a sufficient number of independent members of the Supervisory Board?		No	The company is under Reorganization having a wide right of management
	R30	Does the Audit committee meet at least twice a year? Are these meetings dedicated to drawing up and disseminating the quarter and annual results to the shareholders?		No	The company is under Reorganization having a wide right of management
	R32	Does the Audit Committee make recommendations to the Supervisory Board regarding the selection, appointment, reappointment and replacement of the financial auditor, as well as the terms and conditions of their remuneration?		No	The company is under Reorganization having a wide right of management
P14		Has the Company adopted a procedure with the purpose to identify and adequately settle the conflicts of interests?		No	The company is under Reorganization having a wide right of management
P15	R33	Do the members of the Supervisory Board and of the Executive Board inform the Supervisory Board and the Executive Board on the conflicts of interests as they occur and do they refrain from debates and vote on those matters, according to the legal provisions?		No	The company is under Reorganization having a wide right of management

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P16	R34/ R35	Has the Company adopted specific procedures in order to ensure procedural fairness (criteria for identifying transactions with significant impact, transparency, objectivity, non-competition) in order to identify the transactions with the involved		No	The company is under Reorganization having a wide right of management
P17	R36	Has the Company adopted a procedure on the internal circuit and the disclosure to third parties of the documents and information referring to the issuer, with emphasis on the information that can influence the price of the securities issued by them?		No	The company is under Reorganization having a wide right of management
P18	R37/ R38	Does the issuer carry out activities regarding the Company Social and Environment Responsibility?	Yes		

Judicial Administrator

**Euro INSOL SPRL**  
 Coordinator Practitioner  
 attorney PhD Adrian Remus Borza  
 round stamp, illegible signature

**Euroinsol Consulting SPRL**  
 Associated Coordinator  
 attorney Alina Mariana Maer  
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Undersigned, Maria Coman, sworn interpreter and translator for the English and French languages under the license no. 5886/2001 of 11 December 2001 issued by the Ministry of Justice of Romania, certify the accuracy of the translation done from Romanian to English language that the text presented has been fully translated, without omissions, and that the translation did not distorted document content and meaning.

The document whose translation is required in full was issued by SC UZTEL SA , Ploiesti city, Romania and presented me completely .

The translation of the document submitted was executed according to a written request filed at no 118/04.28.2015, kept in the archives of the undersigned.

**SWORN NTERPRETER AND TRANSLATOR**

