



CFR NETWORK STATEMENT - 2024

## **ANNEX 8**      **FRAMEWORK LEASE CONTRACT OF THE TRAFFIC SECTION**

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COMPANIA NATIONALA DE CAI FERATE CFR SA

Translation from Romanian language

LESSOR's registration no.

LESSEE's registration no.

...../.....

...../.....

**FRAMEWORK LEASE CONTRACT OF THE TRAFFIC SECTION/GROUP OF SECTIONS**

R.U.I.C. No .....date

*Under G.D. no. 643/2011, with subsequent amendments and additions, for the approval of the Rental Conditions by the National Railway Company "C.F.R." - S.A. of parts of the non-interoperable railway infrastructure, as well as their management, the present rental contract was concluded between*

**CHAPTER I. THE CONTRACTING PARTIES**

NATIONAL RAILWAY COMPANY "CFR" S.A., established by G.D. no. 581/1998, registered at the Trade Register under no. J40/9774/1998, unique registration code no. R 11054529, with the registered office in Bucharest, no. 38 Dinicu Golescu Boulevard, sector 1, postal code 010873, tel. 021/319.24.00, fax 021/319.24.01, IBAN Code of the Regional Railway Branch.....the current account in lei no..... opened at Bank....., Branch....., represented by Ion GAVRILĂ as General Manager and Sorina BAICU as Financial Director (CFO), through Railway Regional Branch ..... represented by Director ..... and Deputy Economic Director ..... as **LESSOR**

**and**

2. SC..... registered in the Trade Register under unique registration code no..... with registered office in .....street ..... No ..... County ..... tel ..... fax ..... with IBAN CODE..... opened at the Bank .....through legal representatives..... having the position of General Manager and..... having the position of Economic Director as a **LESSEE**,

hereinafter referred to as the **PARTIES**.

**CHAPTER II. SUBJECT OF THE CONTRACT**

**2.1.** (1) The object of the rental contract is the rental and management in accordance

with with the legal provisions of the **SECTION**/group of traffic **SECTIONS** .....which belongs to the railway non-interoperable infrastructure, hereinafter referred to as the **SECTION**.

(2) The **SECTION** shall be rented with all necessary elements for conducting the traffic and shunting of the rolling stock (railway lines, railway installations, etc.), the buildings of the railway stations with related facilities, installations and equipment, as well as other buildings, constructions, installations and equipment, and facilities for the operation of the railway transport related to local traffic, as mentioned in the delivery and receiving document drawn up in accordance with point 2.4. in this contract, belonging to the non-interoperable railway infrastructure in order to carry out simultaneously the infrastructure management and the public passenger and/or freight transport services.

(3) The allocated spaces for digital TC equipment belonging to the non-interoperable railway infrastructure and the spaces for accommodation, as well as the related household extensions, occupied by employees of CNCF "CFR" SA which after taking over maintain their status, do not represent the object of the contract.

**2.2.** Information regarding the identification of the **SECTION**, the current operating characteristics, the current equipment of the **SECTION** are set out in the unique technical specification, annex to the present contract and which is an integral part thereto.

**2.3.** The maximum period allowed until the full take over of the management of the **SECTION** respectively of the public railway transport services according to the provisions of point 2.1, can not be longer than 3 months from the date of the tender award and no more than 30 calendar days from the date of signing of this contract.

**2.4.** Handing over of the **SECTION** to the **LESSOR** shall be carried out by a joint commission consisting of the **LESSOR**'s representatives and the **LESSEE**'s representatives, finalized by a delivery and receiving report and inventory lists, according to the Ministry of Public Finances Order no. 2861/2009 for the approval of the Norms regarding the organization and performance of the inventory of assets and liabilities for all fixed assets and inventory items in the accounting records at the date of handing over execution, within 3 months from the date of the tender award but no more than 30 calendar days from the date of signing this contract. The **LESSOR** accepts the video recording of the delivery-receiving operations at **LESSEE**'s expenses.

The handing over of the installations belonging to SC Telecommunications CFR SA and SC Electrification CFR SA will be done by separate minutes concluded between the **LESSOR** and the appointed representatives of these companies.

When signing this contract the **LESSEE** will notify SC Telecommunications CFR SA and SC Electrification CFR SA on the date and location in which the respective minutes will be concluded.

**2.5.** Minutes will include:

- details of the objectives handed over and aspects of their integrity;
- aspects related to traffic safety, set speed, km position of the steps with speed restrictions, speed limitations, respectively investment/repair works interrupted;
- the lease contracts concluded by CNCF "CFR" S.A. with third parties are assigned to **LESSEE** (including service contracts for industrial railway lines directly connected to the **SECTION**);
- the way of access to the lines serving military objectives and those of A.N.R.S.P.S, even if they do not have activity at the date of conclusion of the contract, with concrete mentioning of the CFR's connection for serving the lines and ramps, A.N.R.S.P.S' military objectives, their state and car access.

Minutes will contain details about:

- the use of **LESSEE**'s own lead seals and presses at traffic safety taken over facilities, even if this one has an agreement with a fee concluded with the **LESSOR** for the periodic verification of SCB facilities (cf I 351); prohibiting the **LESSEE** to use CFR seals to the traffic safety facilities taken over;



- groups of closed lines serviced by stations on the rented **SECTION**, by mentioning in the contract of the responsibilities belonging to the **LESSEE** for maintaining the integrity of fixed assets (lines, installations).

The delivery and receiving document is an annex to this contract and forms an integral part thereof.

**2.6. LESSOR** is not required to provide the necessary utilities for the activities performed by the **LESSEE**. The **LESSOR** has the obligation to pay the potential debts to the contracts with the utilities suppliers until the entry into force of this contract. **LESSEE** will conclude new contracts with utilities suppliers.

Upon ending/termination of the contract, the **LESSOR** will take over the utilities supply contracts (electricity, water, sewage, sanitation, etc.) so that they will remain in effect until the date the respective points of consumption are actually taken over by the **LESSOR**, as well as service contracts (maintenance of industrial lines and others) and contracts for the lease of parts/elements of the relevant traffic **SECTION** (premises, land), and subsequently to be assigned to the Regional Railway Branch that manages the respective **SECTION**.

**2.7. LESSOR** rents the **SECTION** as it is at the date of conclusion of the delivery and receiving document.

**2.8.** The management of the **SECTION** shall be taken simultaneously with the full acceptance of the obligations assumed by the tender documents regarding the provision of the public railway passenger transport and/or freight transport services. No condition leading to the separation or phasing out of public railway passenger transport services compared to the management activity of the railway infrastructure is permitted.

The complete non-fulfillment of the obligations assumed by the tender documents regarding the provision of the public railway passenger and/or freight transport services within the term stipulated in art. 2.3 constitutes a reason for termination of this Contract in accordance with the provisions of Chapter XII-Termination of the Contract.

### CAP. III. DURATION OF CONTRACT

**3.1.** The period of validity of this contract is 4 (four) years, starting from the date of signature thereof by both parties.

**3.2.** The contract may be extended for new periods of time with the consent of the **PARTIES** expressed in writing in an addendum to this lease contract.

The request for extension or termination of the lease contract shall be notified to the **LESSOR** in writing at least 6 (six) months before the expiration of this lease contract.

In case the **LESSEE** does not make the request for extension of the lease contract meeting the term of at least 6 (six) months before its expiration, the **LESSOR**, pursuant to art. 27 of Annex no. 1 of G.D. no. 643/2011, with the subsequent amendments and completions, shall proceed to the initiation of the legal tender procedures, any request for extension made in breach of the aforementioned deadline shall no longer be taken into consideration.

### CHAPTER IV. RENT, PAYMENT OF RENT AND WARRANTIES

**4.1.** The rent for the use of the **SECTION** is of..... (.....) lei/year (does not include VAT), according to the Awarding Decision no ...../..... from B.R.M. Procedure no ...../.....

The monthly rent, to which VAT will be added according to the legal provisions, will be charged from the date of signing of the delivery and receiving document of the **SECTION**.

**4.2.** The monthly rent will be indexed rightfully, quarterly, with the quarterly

national inflation index reported by the INS at the beginning of the following quarter.

For the calculation of the quarterly indexation of the monthly rent, the calculation method set out in **Annex no. 7** to the lease contract will be applied. The calculation method thus established will apply for each completed quarter.

Rent will also change rightfully if any other changes that lead to the increase in the amount of the elements underlying its calculation, such as reevaluations of fixed assets or, where appropriate, changes in taxes and related taxes of goods within the **SECTION**. In this case the modification of the monthly rent will be materialized in an addendum to the present contract. The refusal to sign the addenda containing the abovementioned amendments constitutes a ground for termination.

4.3. Rent does not include utilities payment.

4.4. The **LESSOR** will issue monthly the invoice representing the countervalue of rent corresponding to the **SECTION** for the current month until the 10th of the month and the **LESSEE** undertakes to pay the rent up to the due date.

.....The rent payment will be made monthly on **LESSOR's** account no. ...., opened at the Bank.....the Branch.....

.....Quarterly, the **LESSOR** will issue a settlement invoice taking into account the national inflation statistical index. Settlement bills will have a maturity of 10 calendar days from the date of their original receipt by the **LESSEE**.

Invoices will be submitted to the **LESSEE** by fax at no. .... and the original will be sent by mail with acknowledgment of receipt or by delegate.

4.5. The **LESSEE** has the obligation to establish before signing of the contract the performance guarantee in the form of a deposit representing a sum in the amount of 3 (three) monthly rents, a deposit that will be constituted in favor of the **LESSOR** at a bank agreed by both parties and updated quarterly with national statistical inflation index. The deposit thus constituted is interest-bearing in favor of the **LESSEE**.

4.6. The **LESSOR** is obliged to hand over the **SECTION** only after the **LESSOR** has provided proof of establishment of the performance guarantee by submitting a letter (**Annex no. 8**) and the bank statement issued by the bank to which the deposit was made and the existence of the permits provided for by the legislation in force.

4.7. In case the **LESSEE** does not pay the monthly rent for 3 (three) calendar months, the **LESSOR** may require the bank to execute the performance guarantee. In this case, the **LESSEE** has the obligation to reconstitute/reassign the performance guarantee within maximum 3 (three) working days from the date of receipt of the notice of the guarantee execution.

4.8. Non-performance and/or non-upgrading of the performance guarantee in accordance with the provisions of point 4.5. and 4.7. constitutes a Contract termination clause by the **LESSOR**.

4.9. Upon termination of the contract, in accordance with the provisions of point 12.1, the **LESSOR** shall return to the **LESSEE** the performance guarantee, within 28 calendar days of the date of the completion of the delivery and receiving document of the **SECTION** to the **LESSOR**, if he has not formulate claims on it, till that given date.

4.10. Non-payment of the rent or other amounts resulting from the execution of Contract, within the term stipulated in point 4.4. attracts late payment penalties of 0.1% per day, calculated on the amount due (including related VAT). Penalties shall be calculated from the first day after the due date referred to in point 4.4. up to the date of collection, inclusive. Penalties may exceed the amount of the principal obligation.

Penalties are also calculated when the contract was terminated and the **LESSEE**, for reasons attributable to him, could not hand over the **SECTION** at least in the state in which



he took it over.

**4.11.** The **LESSEE** shall remain liable for the full payment of rent and penalties if it abandons the **SECTION** or parts of it.

**4.12.** The **LESSEE** has the obligation to pay the tariff for the coordination and management of the train traffic, established according to the legislation, on the basis of the benefits established by the **LESSOR** under the conditions provided in **Annex C** - Convention for ensuring the operative management of the traffic.

**4.13.** Non-payment of the benefits provided in point 4.12 constitutes a Contract termination clause by the **LESSOR**

## **CHAPTER V. CONFIDENTIAL CHARACTER OF THE CONTRACT**

**5.1.** A Contracting Party shall not have the right, without the written consent of the other Party, to disclose the information or documents resulting from the conclusion of this contract and shall be classified as classified information under the law, those that affect intellectual property or industrial property rights and also the principle of fair competition and any other documents provided by law.

## **CHAPTER VI. OBLIGATIONS OF THE LESSOR**

### **6.1. General Obligations of the LESSOR**

(1) To hand over to the **LESSEE** the **SECTION** with all the elements necessary for the unfolding of the traffic and shunting of the rolling stock (railway lines, railway installations, TC (telecommunications) installations and the electrification installations belonging to the **LESSOR**), the buildings of the railway stations with the related facilities, as well as the other existing buildings and facilities intended for the deployment of rail transport (except for the spaces allocated for digital TC equipment and hired premises, as well as the afferent household extensions occupied by the employees of CNCF "CFR" SA which after taking over retain their status) under the conditions stipulated in point 2.4 as well as operating permits for railway stations existing at **LESSOR** on that date.

(2) To ensure the operative management of the trains traffic on **SECTION** through their own structures for rail traffic management, under the rules in force, on a convention basis.

(3) To calculate the infrastructure access charge by the rolling stock belonging to the **LESSEE** for the portions of line of the **SECTION** remained non-leased and managed by the **LESSOR**.

(4) To verify on a quarterly basis, based on the data and written information provided by the **LESSEE**, the manner of fulfilling the obligations assumed by the **LESSEE** by contract and if he uses the assets related to the **SECTION** according to the destination for which they were rented. The **LESSOR** will decide how to proceed with the contract.

(5) To ensure the use of the **SECTION** throughout the entire duration of the contract, to guarantee to **LESSEE** the undisturbed use of the **SECTION** under the conditions of the common law, in compliance with the contractual obligations by the **LESSEE**.

(6) For the period of validity of the **SECTION**'s lease contract, the **LESSOR** shall grant the right to use any assets or activities within the **SECTION**, existing on the date of the conclusion of this contract and shall proceed, in accordance with the regulations in force, to the assignment to the **LESSEE** of the rental contracts (including those service contracts related to the industrial railway lines connected directly to the **SECTION**) as outlined in **Annex no. 4** of some **SECTION**'s assets or activities that are agreed/agreed by the **PARTIES** that they are strictly necessary to the **LESSEE** for carrying out the activities assumed under art. 2.1, except for the contracts for the use of the spaces for housing purposes and for the related household extensions occupied by CNCF "CFR" SA's



employees which, after taking over, retain this status.

(7) Contracts which are assigned according to par. (6) shall include, but only with strict observance of the provisions of G.O. no. 60/2004 regarding the regulations related to the construction, maintenance, repair and operation of the railway lines, other than those administered by National Railway Company "C.F.R." SA, approved with amendments and additions by Law no. 402/2004, G.D. no. 2299/2004 and OMTCT no. 880/03.06.2005 and the rental and service contracts for the operation of the industrial railway lines connected directly to the **SECTION**.

(8) To verify, at the end of the fiscal year, the concordance of the data on the statutory declarations on the use of the amounts resulting from the assigned lease contracts with the technical and financial-accounting records.

(9) In the event that the **LESSEE** does not have any specialized personnel, authorized by AFER, the equipment necessary to carry out checks and measurements on the technical condition of the track or for the regular checks of the SCB equipment, according to the instructions in force, the **LESSOR** will be able to carry out, for a fee, on the basis of a convention concluded with the **LESSEE** the following:

- instructive measurements with track measurement wagon, path measuring trolley, ultrasonic defectoscope;
- quarterly revision of lines, track and artworks after the revision of industrial lines, according to Instruction 305;
- Regular checking, according to Instruction 351, of SCB equipment.

(10) The telecommunications services related to the **SECTION** (*telephone services for operation in order to coordinate and ensure the safety of the trains traffic and the shunting operations, as well as other communication and data transmission services, etc.*) which at the date of taking over of the **SECTION** by the **LESSEE** are provided by SC "Telecommunications CFR" SA, will be the subject of a complete and binding separate contract between the **LESSEE** and SC "Telecommunications CFR" SA. The contract will cover all aspects related to the provision of telecommunication services on that **SECTION** as well as on those that result from the exploitation of fixed assets owned by SC "Telecommunications CFR" SA.

(11) The services for the operation, maintenance and repair of electrification installations related to the electrified traffic **SECTION** (LC, PICV, EA-ELF installations in stations, halts and from the running line), which at the date of taking over of the **SECTION** by the **LESSOR** are provided by SC "Electrification CFR" SA, will be the subject of a separate contract concluded between **LESSOR** and the subsidiary SC "Electrificare CFR" SA of the company. The contract will cover all aspects related to the provision of electrification services on that **SECTION** and those arising from the exploitation of the fixed assets owned by the subsidiary or leased.

For non-electrified traffic **SECTIONS**, aspects of the management of power supply, lighting and power facilities in stations, halts and stopping points in the running line, and the operation, maintenance and repair services will be governed by the Delivery and Receiving Document concluded between the **LESSEE**, the territorial branch of the company and the territorial branch of SC "Electrification CFR" SA.

(12) In case rapid interventions are required, technical assistance may be provided and, on the basis of a contract, the equipment and tools necessary to eliminate the effects of rail casualties or incidents and accidents may be provided against payment.

(13) In the event that the **LESSEE** does not have specialized personnel authorized by A.F.E.R. and the necessary equipment for snow removal services, these services will be made by the **LESSOR's** means only after the lines of the interoperable infrastructure have been cleared from snow, based on a contract concluded each year at the regional railway branch level for a period of at least 3 months (December-February), during which a monthly fee for insurance of the means of snow removal will be charged, even if they did not intervene during the respective period. The monthly fee is set by the **LESSOR** for each



type of snow removal means and represents the contribution of the other railway infrastructure managers to the costs for maintaining in use of the snow removal means. In addition to the monthly tariff, each infrastructure manager bears all the expenses generated by the interventions themselves on the traffic **SECTIONS** it manages.

14) The **LESSOR** has the obligation to cooperate with the **LESSEE** for the purpose of identifying and managing jointly the railway hazards at the interface between them and the related safety measures to be applied.

## CAP. VII. LESSEE'S OBLIGATIONS

### 7.1. LESEE's general obligations

- (1) To appear within the time limit set out in point 2.3, in this Contract for the handing over-taking over of the **SECTION**, recorded in the minutes, and to sign the respective minutes.
- (2) To pay the rent and any other amounts which lie under its power under this lease Contract.
- (3) To hold, during the entire duration of the contract, the permits issued by the Romanian Railway Authority - A.F.E.R., required (safety authorization and/or license for the provision of railway transport services).
- (4) To manage, maintain, repair and exploit the assets belonging to the **SECTION** with the diligence of a beneficial owner, to maintain normal operation and use, as intended, railway lines and artworks, SCB installations and electrification installations, TC installations and existing buildings so as to ensure by their technical and functional characteristics their strength and stability, the traffic safety and transport safety at the maximum speeds and loads (axle load or tf/ml) laid down by the rules and instructional provisions in the activity of railway transport to preserve and develop their value throughout the whole duration of the contract. Investment and repair activities that have the effect of bringing in the designed parameters, rehabilitating or upgrading the railway infrastructure related to the **SECTION**, shall be carried out only with the **LESSOR's** consent.
- (5) In order to fulfill the obligations of point 7.1 (4) to schedule and carry out surveillance, maintenance and/or repair activities at the railway lines, SCB, TC and electrification installations belonging to the **LESSOR**, to the buildings, constructions, installations and related equipment, according to the instructions and regulations in force at CNCF "CFR" SA, (the periodicity being the one stipulated in the **LESSOR's** regulations), with its own personnel or on the basis of contracts with service providers authorized by the Romanian Railway Authority - AFER and which have technical approvals according to O.M.T. no. 290/2000.
- (6) In the case of eviction of the property, both leased and detained, by the offenders, the **LESSEE** shall advise the competent bodies (Railway Transport Police), the Sections (L, CT) which have handed over the respective fixed assets and the **LESSOR**.
- (7) To provide materials, spare parts, equipment, tools, measuring instruments and means of transport necessary for the maintenance and repair of the railway lines, SCB, TC and electrification facilities belonging to **LESSOR**, buildings, other buildings and related equipment.
- (8) To ensure and pursue strict adherence to technological processes, traffic safety measures, occupational safety and health norms, fire protection, and legislation for environmental protection in order to carry out maintenance and repair works of the railway lines, SCB, TC and electrification facilities belonging to the **LESSOR**, buildings, other constructions and related equipment, as well as in the entire operation of the goods subject to the contract. In the event of sanctions being imposed by the competent authorities, the **LESSEE** shall bear their countervalue, including law expenses.
- (9) To operationally remedy disruptions to railway lines, SCB, TC and electrification



facilities belonging to **LESSOR**, buildings, constructions and leased equipment.

(10) To maintain the integrity of the **SECTION** at least at the level specified in the delivery and receiving report, not to damage, degrade, disable or alter lines, installations, level crossings and buildings without the **LESSOR's** approval and of the competent authorities established by the regulations in force.

(11) To provide to the operating personnel with the necessary service instructions, regulations, orders and provisions in force at the time of delivery-receiving of the **SECTION**.

(12) To return to the **LESSOR**, free of charge and free of any duties the **SECTION** with all the elements necessary for the traffic unfolding and shunting of the rolling stock (railway lines, SCB, TC and electrification facilities belonging to the **LESSOR**, etc.), the railway station buildings with the related facilities, the other buildings, special constructions and facilities for the railway transport, as well as the investments made at the date of the restitution, at the termination of the lease contract - for any reason, according to the minutes concluded at the delivery, without any degradation, destructions or shortcomings at least in the state in which they were handed over to the **LESSEE** and at least in the exploitation tolerances it had when taken over, unless the **LESSOR** explicitly agrees to take them over with the modifications approved during the implementation of the contract (e.g. dissolution of sectioning points).

(13) To allow access to leased premises, lines and facilities to the **LESSOR's** personnel with coordination and control responsibilities.

(14) Provide telephone services for operation in order to coordinate and ensure the safety of the trains' traffic and shunting operations, as well as other communication and data transmission services, etc.

(15) To make available to the **LESSOR**, on request, the data, information and all documents necessary for the verification of the unfolding of the railway activity and concerning the provisions of the contract.

(16) Organize the control of operating personnel and maintenance and repair activities at the railway lines, SCB, TC and electrification installations and related buildings.

(17) To participate, together with the competent bodies of the **LESSOR**, to the inspections carried out by them, and to remedy and report in writing the deficiencies found on this occasion, within the deadlines set by **LESSOR's** control personnel.

(18) To assume in full the rights and obligations arising from contracts assigned under points 6.1, (6) and (7) of renting premises, land, including service contracts for industrial railway lines directly connected to the **SECTION**, except the contracts for the use of the dwelling spaces as well as the afferent household extensions occupied by the employees of CNCF "CFR" SA which, after taking over, retain this status.

(19) In order to avoid the **LESSOR's** involvement in litigations, to refrain from any fact that would have the effect of disturbing the use of the premises/land by the residents of the assigned contracts.

(20) The **LESSEE** who takes over the assets and is assigned the contracts provided in **Annex no. 4**, has the obligation to use the revenues obtained from these contracts exclusively for the **SECTION's** maintenance and repair activities and/or for the development of public passenger rail transport on **SECTION**.

(21) To submit quarterly to the Railway Regional Branch within the area of which the **SECTION** is located, a statutory declaration showing how it used the amounts representing the countervalue of the rents earned from the lease agreements assigned, and at the end of the fiscal year within 30 calendar days of its conclusion, it will elaborate a summary sheet with the way of use of the amounts mentioned above together with supporting technical and accounting documents.

(22) Take full advantage of the rights and obligations arising from the utility contracts concluded with captive subconsumers in the area.



(23) To provide, for a cost, the utilities for existing intervention dwellings on the **SECTION**.

(24) To provide the necessary specialized personnel, medically and psychologically capable for traffic safety, authorized by AFER

(25) To take over from the **LESSOR** the qualified railway personnel existing on the **SECTION**, provided in **Annex no. 1**, with the compliance of the rights of employees deriving from the individual labor contract and the collective labor contract, existing on the date of taking over, according to the provisions of art. 173 of Law 53/2003 - Labor Code republished.

(26) Upon termination of the lease contract, the **LESSEE** shall hand over the personnel necessary for the good performance of the activities on the **SECTION** within the limit of the number of personnel taken over from the **LESSOR**, as set out in **Annex no. 1**.

(27) If the passenger and/or freight traffic is made through other legal entities, to submit at the signing of this contract, the contracts concluded with the legal entities - as a railway transport operator, who will take over the passengers traffic and/or freight traffic on **SECTION** and the evidence that they meet the legal conditions for carrying out the respective activities, which will constitute **Annex no. 6** to this contract.

(28) To ensure the requirements for passenger rail transport according to the minimum social package approved (by Government Decision or Order of the Minister) at the date of conclusion of the contract and specified in **Annex no. 2**. The minimum package may be amended by normative acts updating the obligations of the public social service in the field of passenger railway transport.

(29) To provide the services provided by the passenger railway transport operators by categories of trains in domestic traffic, according to **Annex no. 3**.

(30) Not to advertise for other terrestrial public passenger transport systems without the **LESSOR's** approval.

(31) To grant access right to the **SECTION** to other railway operators licensed by the Romanian Railway Authority - AFER, in the following cases:

- a) complete train, in transit across **SECTION**;
- b) complete train, formed outside the **SECTION** and having as destination at least one of the stations on the **SECTION**;
- c) complete train, formed in one of the stations on the **SECTION** and having as destination station any station outside the **SECTION**;
- d) isolated locomotives used to haul the trains;
- e) passenger train that does not serve the local railway traffic on the **SECTION** and is part of the minimum social package of the licensed railway operator;
- f) any additional trains required by other railway transport operators, within the capacity limit of the **SECTION**.

(32) To ensure cleanliness, disinfestation, sanitation, of premises and land related to the assets that are the object of the lease. To ensure the management of all categories of waste according to the legal provisions (storage, evidence, reporting, transport, delivery for recovery/disposal).

(33) To ensure the exploitation of the assets related to the object of the lease, with the satisfaction of the public interest, according to the objectives established by the **LESSOR** by contract.

(34) To perform the tasks according to the terms and conditions set out in the contract and in accordance with the rules specific to the activities it carries out.

(35) For any damage caused, to bring the damaged property to the state before producing the event, from its own financial sources and to establish the guilty persons by administrative inquiry realized by its own specialized bodies or, as the case may be, by specialized state bodies, with the operative information of **LESSOR** and immediate approval under the unique telephone number 4444 according to the Decision of the General Manager no. 5/23.01.2007 on the criminal offenses produced on the CFR infrastructure, bearing any damages produced without affecting the obligation to pay the rent assumed by



contract.

(36) Not to change, without the **LESSOR's** consent, the destination of the goods subject to the contract, other than it is entered in the contract

(37) Upon termination of the contract due to other causes than due to expiration, excluding force majeure and fortuitous case, to ensure the continuity of operation of the **SECTION** under the conditions stipulated in the lease contract, until the **LESSOR** takes it over.

(38) If he or she notifies the existence or the possibility of existence of another nature cause leading to the impossibility of exploiting the public domain, immediately notify this **LESSOR** in order to take the common measures necessary to ensure the continuity of the activity.

(39) If the **LESSEE** considers that all the leased assets or only a part of them is of high risk, they may decide to insure these assets against those risks, at their own expense and with the insurer they agree to.

(40) Conclude and manage new access contracts on **SECTION** with legally authorized railway transport operators, respecting the provisions of (31).

(41) To apply the provisions of the legislation in force on safety and health at work, the work schedule and the use of employees who carry out activities related to traffic safety.

(42) To comply with the regulations on exceptional shipments, in accordance with **Annex no. 5**.

(43) Upon ending or termination of this lease contract, the **LESSEE** shall fully deliver all he took over from the **LESSOR**, on the basis of a delivery and receiving document and inventory lists, under the conditions of delivery and takeover set out in point 2.5. (including contracts for the provision of services related to the industrial railway lines directly connected to the **SECTION**, contracts for the lease of premises or land concluded by him with legal or natural persons, being in progress on the date of termination of the contract).

(44) Not to obstruct in any way the requests of third parties for the connection of new industrial lines to **SECTION** and to ensure non-discriminatory treatment of the owners of industrial lines that are connecting to the **SECTION**.

(45) Provide to the **LESSOR**, during the execution of the lease contract, the access to the rented **SECTION** for transport for own benefit, with own or rented rolling stock, without paying the infrastructure access charge.

(46) If, after taking over the **SECTION**, the **LESSEE** determines that it is necessary to change the timetable of the trains, without affecting the minimum social package on the **SECTION**, it may be done, according to the provisions of art. 25 of Annex 1 to H.G. no. 643/2011, with subsequent amendments. Once the **LESSOR** has established the paths, they will be made known to the **LESSEE** in writing, which will make them public by the means of endorsement of the traveling public, including by displaying in the stations on the **SECTION**. In stations on the interoperable infrastructure in which there are running trains whose paths have been modified, the notification will be made by the **LESSOR**.

(47) In case the **LESSOR** ceases any of the services assumed under the **SECTION** lease contract, with direct implications on the traffic safety and regarding the proper performance of the public passenger railway traffic and ensuring the social minimum package, it is obliged to advise in writing the **LESSOR** with at least 6 (six) months prior to the date of the respective termination, with the relevant justification.

In case the **LESSEE** does not give written notice to the **LESSOR** with at least 6 (six) months prior to the date of the respective termination, the provisions of Art. 21 of Annex no. 1 to G.D. no. 643/2011 will apply.

(48) To obtain, on behalf of and for the **LESSOR**, on the basis of an empowerment, the technical operating permits for the stations on the **SECTION**; the empowerment will contain the details of the payment arrangements for the operations of issuance of approvals and will be issued by the railway regional branch through which this contract is being carried out. The **LESSEE** will bear the full costs for obtaining the technical permits.

(49) Ensure compliance with legal regulations on environmental protection, and those



specific foreseen by the Convention on Environmental Protection, annex to the lease contract. In case of non-compliance of the legal requirements for environmental protection, it bears the sanctions set by the environmental authorities, including the costs of repairing the damage and removing the consequences produced by it.

(50) Provide rail infrastructure and specific facilities for embarking/disembarking military consignments and ensuring the proper circulation of military indicative trains on the **SECTION** and the access to the lines serving military objectives (*according to the protocols concluded between the Ministry of Transport and the Ministry of National Defense, which performs military transport on the railway, respectively the provisions of Law 477/2003 on the preparation of the economy and the territory for defense*).

(51) In the case of declaration of martial law, mobilization or war, to provide the following minimum circulation capacities for military trains: 12 train pairs/24 hours for secondary single lines, 24 train pairs/24 hours for main single lines and 60 train pairs/24 hours for double lines.

(52) To maintain functional the turnouts, installations and railway lines giving access to loading/unloading ramps and not to change or modify their destination without the **LESSOR's** consent.

(53) To communicate decadal (at the dates set in instruction 317/2004) to the **SECTION** of track maintaining belonging to the **LESSOR**, the speed restrictions on the **SECTION** to be entered in the BAR and will also communicate the suspension of the restrictions on the ground.

(54) Communicate annually to Directorate of Lines the situations required to change the train timetable according to Instruction 317/2004.

(55) To pay the infrastructure access charge by the rolling stock belonging to the **LESSEE** for the portion of line remaining non-leased managed by the **LESSOR**.

(56) To conclude with the Railway Regional Branch where the non-interoperable **SECTION** is located, a convention to ensure for the **LESSOR's** commuter employees the transport from home to work and return by settling the expenses between the **LESSOR** and the **LESSEE**.

(57) **LESSEE** will bear the equivalent of compulsory insurance policies for all CFR dwellings taken over.

(58) To announce the **LESSOR** on pronouncement of the bankruptcy status of the company.

(59) To ensure compliance with the legal regulations on fire protection, and those specific to the Fire Protection Convention, an annex to the lease contract. By signing Annex E, the **LESSEE** becomes responsible for the prevention, intervention, investigation and recording of fire-fighting events that may occur in the activities covered by this contract on the **SECTION**.

## 7.2. Obligations of the LESSEE in connection with traffic safety

(1) To ensure the management of the **SECTION** in safety conditions of the railway traffic.

(2) To ensure the operating activity of trains' traffic, including those with an experiment character of tonnage and traction and shunting only with personnel authorized by AFER under the coordination of the **LESSOR's** management structures of the railway traffic, in compliance with all traffic safety standards in accordance with the regulations in force.

(3) To carry out maintenance work and instructional measurements at the quantitative and qualitative level required by the specifications while guaranteeing the safety of traffic, regularity of trains, safety and quality of rail transport, human health and environmental protection throughout the **SECTION**, so that throughout the contract execution period, safety conditions to be ensured at least to the limit of tolerances allowed by Instruction 314/1989, Instruction 351/1989 and Instruction for automatic control of train speed and autostop type INDUSI track equipment/1972.

(4) Collaborate with railway infrastructure managers at the points of convergence (traffic, lines, installations) in order to solve the situations that occurred during the execution of the



lease contract (scheduled works, troubleshooting, speed limit approval, operative intervention, accident investigation and of railway incidents according to the regulations in force).

(5) If, during the execution of the contract, there are situations that endanger the safety of the traffic, the safety of the transports, the human health, the environment protection, it will promptly notify the **LESSOR** the same time with taking the appropriate measures according to the legal and instructional competences granted.

(6) Allow the **LESSOR**, upon request, on a jointly agreed date, to participate together with it in the revision of the lines, of the turnouts.

(7) To notify the accidents and railway incidents produced on the **SECTION**, observing the provisions of the Regulation for the investigation of accidents and incidents, of development and improvement of the rail safety on the railway lines and the metro transport network in Romania approved by H.G. 117/2010.

(8) **LESSEE** has the obligation to cooperate with the **LESSOR** for the purpose of common identification and joint management of the railway hazards at the interface between them and the associated safety measures to be applied.

(9) Provide telecommunications services for the coordination and ensuring the trains traffic and shunting operations in accordance with the regulations in force at the **LESSOR**. Telecommunications activity to be ensured according to the provisions in force.

#### **7.2. Obligations of the LESSEE in connection with the operation of passenger trains**

To notify in writing 10 calendar days before the date of commencement of the operation of the passenger train of the **SECTION**, date which may not exceed 30 calendar days from the date of signature of this contract.

### **CHAPTER VIII THE LEGAL STATE OF INVESTMENTS AND CAPITAL REPAIRS**

**8.1.** Investments and capital repairs will be executed by the **LESSEE** only with the **LESSOR's** agreement.

**8.2.** Investments and capital repairs are carried out only with AFER authorized contractors which have technical approvals according to the legal provisions, based on execution projects approved by the **LESSOR**, the expenses being borne by the **LESSEE**.

**8.3.** Obtaining the authorizations, notifications and approvals necessary for the realization of the investments and of the capital repairs provided by the normative acts in force is the responsibility of the **LESSEE**.

**8.4.** The amortization of the investments will be made during the validity of the contract and is the responsibility of the **LESSEE**.

**8.5.** Upon completion of the investment works and capital repairs, a taking-over certificate will be concluded, signed by both parties, on the basis of the work papers and the financial documents. Depending on the value of the investment made on the **SECTION**, the **LESSOR** will consider the possibility of extending the duration of the contract, according to the legal provisions.

**8.6.** Investments and capital repairs consisting of fitting out, upgrading, adding accessories or other components of fixed assets that increase their entry value remain the property of the **LESSOR** and will be delivered on the basis of minutes and technical documentation, except for sign boards, logos, trade marks, furniture and other characteristic signs that are and will remain the property of the **LESSEE** after the termination of the lease contract, regardless of the reasons for its termination and without affecting the value of the contract.

The **LESSEE's** indemnification shall be made with the unamortized amount of the investment or the capital repair carried out only in the event of the termination of the lease contract from the fault or the unilateral denunciation of the **LESSOR**.

8.7. Carrying out of investments and capital repairs will be done with respecting, protecting and maintaining functional of all existing traffic safety installations on the site.

8.8. The works and the fixed assets resulting from the investments related to the modifications/modernizations made for the connection of industrial railway lines to the **SECTION** become, after being carried out, the **LESSOR's** ownership and are included in the list of the fixed assets that are subject of the present lease contract and by an addendum the amount of the lease from the lease contract will be updated.

8.9 The connection tariff for new/modified/upgraded industrial railway lines is collected by the **LESSOR** from the beneficiaries according to the legislation in force.

## CAP. IX. CONTRACTUAL RESPONSIBILITY

9.1. The **PARTIES** commit to execute this contract as such and in good faith.

9.2. From the date of the full take-over of the management and operation of the trains on the **SECTION**, the **LESSEE** is fully responsible for the traffic operation and is solely responsible to the **LESSOR** for the operation of the respective **SECTION**, whether the transport activities are carried out directly or through other legal entities on a contractual basis.

9.3. In accordance with Art. 1523 of the Civil Code, the **PARTIES** are automatically late in meeting the deadlines stipulated in the contract, without the need for a notification in this respect.

9.4. For total or partial non-compliance or for the defective performance of any of the contractual clauses, the guilty party commits to pay, in addition to penalties and damages or compensation, as appropriate, that cover the damage suffered and the unrealized benefit. The unrealized benefit will cover the revenue that the injured party would have earned during the period of contract execution.

9.5. **LESSEE** is liable to **LESSOR** for the payment of compensation that cover the damage suffered and the unrealized benefit during the occupation of the site after the ending/termination of the lease contract, regardless of the reasons for the ending/termination, if there was no **LESSOR's** acceptance for the extension of the site occupancy period after the moment of ending/termination of the contract. Payment of compensation does not have as effect the tacit relocation, does not affect the right of the **LESSOR** to evict the **LESSEE**.

9.6. Compensation is equal to twice the monthly rent and VAT for each month until the site is released. Also, in this case, the **LESSEE** will also be charged with the performance guarantee.

9.7. Payment of compensation does not affect the right of the **LESSOR** to proceed with the eviction.

9.8. The **LESSEE** has the right to recover from the **LESSOR** any amount of money, in accordance with the laws in force, as a result of the **LESSEE's** violation of the obligations stipulated in the contract.

9.9. The **LESSEE** is liable to the **LESSOR** for payment of damages in the event of non-compliance with the obligations set forth in Article 7.1, paragraphs (11), (31) and (43) of this Contract. The amount of the compensation will be calculated in accordance with the regulations in force and will cover, as the case may be, the value of bringing the degraded goods to the initial state or the replacement value for the missing goods or which can no longer be brought into the initial state.

9.10. The **LESSEE** owes the **LESSOR** the payment of compensation for recovery of damages/unrealized benefit in the event that it, (**LESSEE**) requests the termination of the contract before the term, regardless of the reasons for termination (except for force majeure).

The amount of such compensation shall be calculated at the level of the rent due to the **LESSOR** from the moment of termination of the contract and up to the expiry date of the contract.



## CHAPTER X. FORCE MAJEURE

**10.1.** Force majeure means any event beyond the will or control of the parties found by the Chamber of Commerce and Industry of Romania as a competent authority which is not due to their fault or guilt which could not be foreseen at the time of conclusion of the contract and which makes impossible to execute and to carry out the contract such as war, revolution, floods, earthquakes or any other natural disasters, restrictions resulting from a quarantine, embargo, the enumeration not being exhaustive, but declarative.

It is not considered force majeure an event like the above which, without creating an impossibility of execution, makes extremely costly to carry out the obligations of one of the parties.

**10.2.** Force majeure exonerates the parties of liability for the entire period in which this acts, under the law, with the requirement of written, immediate and complete notification, within 5 (five) calendar days from the occurrence of force majeure and confirmed by the certificate issued by the Chamber of Commerce and Industry of Romania.

**10.3.** The party invoking force majeure has the obligation to take any measures available to it in order to mitigate the consequences. If force majeure acts or is expected to act longer than six (6) months, each party shall have the right to notify the other party of the termination of this contract without any party claiming compensation to the other.

**10.4.** The performance of the contract will be suspended during the period of force majeure, but without prejudice the rights to which the parties were entitled until its appearance.

## CHAPTER XI. ASSIGNMENT AND SUB-LEASE

**11.1.** The **LESSEE** can not assign his rights and obligations under this contract to a third party.

**11.2.** The **LESSEE** can not sub-lease without the **LESSOR's** consent any elements of the non-interoperable railway infrastructure, buildings, land or other property and facilities intended for the operation of rail transport or railway infrastructure maintenance, to any other person.

In case of a favorable opinion regarding the sub-leasing of some assets or parts of them, the revenues obtained from the lease contracts will be used according to the provisions of art. 16, paragraph (2) of Annex 1 to G.D. no. 643/2011, including subsequent amendments and additions.

## CHAPTER XII. ENDING THE CONTRACT

**12.1. (1)** This Contract shall cease in the following circumstances:

- a) upon expiration of the period for which it was concluded, if there was no notice of its extension;
- b) when in the execution of the contract there is a cause of force majeure ascertained and invoked under the law, according to the provisions of point 10.2;
- c) based on the consent of the parties

**(2)** The **LESSOR** may also terminate this lease contract at any time for a reason of general interest.

## CHAPTER XIII. TERMINATION OF THE CONTRACT

**13.1.** Failure to comply with the obligations assumed by this Contract by one of the **PARTIES** shall entitle the injured party to request the termination of the lease contract, the retaining of the performance guarantee and the payment of outstanding debts and to claim the payment of compensation, damages, and the unrealized benefit under Chapter IX of this

contract.

Retaining of the performance guarantee and payment of overdue debts does not remove **LESSEE's** liability for the payment of penalties, for the payment of compensation to cover the damage suffered and the unrealized benefit due to the non-fulfillment of the obligations under the contract or for the defective execution of any of the contractual clauses, or for the full repair of any damages that may result from the termination of the lease contract and which could not be identified and specified by the Termination Notice.

**13.2.** The injured party may terminate this lease contract with full effect (de jure) after giving 15 calendar days notice to the other party without the need for any other formality and without the intervention of any authority or law court in the event of breach of any obligation under this contract.

**13.3.** If, in the event of termination of the contract, at the delivery of the **SECTION**, this is not in the technical parameters at least equal to those from the date of the lease, the **LESSEE** commits, within 15 calendar days from the receipt of the termination notice, to remedy all nonconformities and to cover all the existing deficiencies, otherwise it commits to pay the value of the estimates made for this purpose by the Regional Railway Branch within the range of which the **SECTION** is located, related to the non-remediated nonconformities and the identified shortcomings on the rented **SECTION**. The **LESSEE** is responsible for the state and guard of the **SECTION** until it is actually handed over on the basis of a delivery and receiving document.

#### CHAPTER XIV. DISPUTE RESOLUTION

**14.1.** Disputes of any kind arising from the execution of this contract shall be amicably settled through direct negotiations, within 15 calendar days of their occurrence.

**14.2.** The amicable solution expressly accepted and in writing by the two Parties will be recorded in an addendum, an integral part of the contract. If, after 15 calendar days from the commencement of such negotiations, the **LESSOR** and the **LESSEE** fail to amicably settle a contractual divergence, either Party may, if appropriate, request that the dispute be settled by the competent courts in whose jurisdiction the **LESSOR's** office is located.

#### CHAPTER XV. THE LANGUAGE GOVERNING THE CONTRACT

**15.1.** The language governing the Contract is Romanian language.

#### CHAPTER XVI. THE LAW APPLICABLE TO THE CONTRACT

**16.1.** The Contract will be interpreted in accordance with the laws of Romania.

#### CHAPTER XVII. COMMUNICATIONS

**17.1.** The Parties agree that any notification, request, communication or information made by one of the Parties:

- a) To be prepared in writing and submitted personally by the Party or sent by registered letter with acknowledgment of receipt or by other means of communication that ensure the confirmation of the document receipt at the following addresses:

For **LESSOR: CNCF „CFR” S.A. – Railway Regional Branch.....**

Adress:....., no. ....;

Tel/Fax: .....

For **LESSEE:.....**

Adress:..... no.....;



Tel/Fax:.....;

b) Provide an indication of the contract number granted by the trading company.....respectively of the contract number granted by CNCF "CFR" S.A.

c) To be considered as received, unless otherwise provided in this contract at the time of delivery, if it is submitted personally by one of the Parties at the time of receipt by the addressee, in the case of a registered letter with acknowledgment of receipt, or at the time of confirmation receipt by the sender if the communication is made by fax (provided that the sending did not occur on a non-working day, in which case it will be deemed to have been received on the first hour of the next working day).

17.2. The Parties agree that failure to comply with the requirements of the preceding paragraph shall be sanctioned with the non-enforceability of such notice, request, communication or information.

## CHAPTER XVIII OTHER CLAUSES

18.1. For the leased **SECTION** this contract is the only lease contract between the **LESSOR** and the **LESSEE**.

18.2. In the event of a breach by one of the Parties of its obligations, the failure by the injured party to exercise the right to demand execution exactly or equivalently of that obligation does not mean that the injured party has waived this right.

18.3. The Parties recognize in the respect of the reciprocal rights and obligations arising from this Contract, its binding and enforceable force.

18.4. Any change occurring during the execution of the contract with respect to the legal status and the registered office of the **LESSEE** will be immediately notified to the **LESSOR**.

18.5. This lease Contract is amended or supplemented in the event of the occurrence of new legal provisions regarding the conditions for the rental of non-interoperable traffic sections.

## CHAPTER XIX. FINAL PROVISIONS

19.1. In interpreting the contractual obligations, as well as for the application of any provisions not regulated by this contract, there will be applied the provisions of G.D. no. 643/2011 for the approval of the conditions of lease by the National Railway Company "CFR" S.A. of some parts of non-interoperable railway infrastructure, as well as their management, with subsequent amendments and additions.

19.2. The provisions of the contract and its annexes may be corrected, amended and/or supplemented only in writing by addenda signed by both Parties through their legal representatives.

This contract, together with its amendments and annexes, represents the will of the Parties and removes any verbal agreement between them, either before or after its conclusion.

19.3. This Contract shall take effect from the date of signature by both Parties.

19.4. The following annexes form an integral part of the Contract:

- a) The single technical specification for the lease in order to carry out activities for the management of non-interoperable railway infrastructure and services of public rail passenger and/or freight transport for the **SECTION**..... on the Railway Regional Branch.....
- b) The delivery and receiving document for the traffic **SECTION**.....
- c) **ANNEX C** - Convention for providing the operational management of traffic
- d) **ANEXA D** - Convention for the environmental protection

## e) Annexes:

- no. 1 - The status of the number of staff broken down by positions, taken from the LESSOR.
- no. 2 - Minimum required social package for rail passenger transport.
- no. 3 - Services provided by rail passenger transport operators by category of trains in domestic traffic.
- no. 4 - List of rental and utilities contracts taken over from the LESSEE (including service contracts for industrial railway lines connected to SECTION).
- no. 5 - Regulations on the treatment of exceptional shipments on non-interoperable SECTIONS.
- no. 6 - Contract(s) concluded with the legal person(s) that will take over the passenger and/or freight traffic on the SECTION.
- no. 7 - The way of application of art. 4.2 - Quarterly indexation of the monthly rent.
- no. 8 - Letter issued by the bank to which the deposit of the guarantee was made corresponding to art. 4.5.

## f) ANNEX E – Convention on the fire protection

19.5. This contract for the SECTION..... was concluded in Bucharest in 3 (three) copies, of original value and the same legal force, containing ..... pages (except annexes), of which one copy for the LESSOR and one copy for the LESSEE.

**LESSOR**  
**CNCF „CFR” S. A.**  
**Legal representatives**

**LESSEE**  
.....  
**Legal representatives**