

NO. 59/ 31.01.2019

TO:

- **BUCHAREST STOCK EXCHANGE**
FAX: 021/2569276
- **FINANCIAL SURVEY AUTHORITY**
FAX: 021/6596051

CURRENT REPORT

According to ASF Regulation no.5/2018

Report day: 31.01.2019

OIL TERMINAL S.A.Constanta
Headquarter: no.2, Caraiman str., Constanta
Phone: 0241/702600, fax: 0241/694833
Registering number at Commerce Registrar: J13/512/1991
Unique register number: 2410163

Important event to be reported: *Information regarding the state of implementation of fiscal and Customs alterations at OIL TERMINAL*

In addition to the current report submitted on 11.01.2019, by which OIL TERMINAL informed its shareholders and investors started the necessary steps in order to get the authorization to use the global guarantee according to legal provisions, Galati Customs Regional Direction is going to communicate the necessary value to be guaranteed, we let you know that, it has been received, in the company' headquarter, the address no.1108, issued by the Public Finances Ministry – ANAF, by which it is appreciated that, Oil Terminal must constitute a global guarantee in the amount of 866,291,777 lei, according to art. 6.(1) of ANAF Order no.839/2016, value complying with a 100% percentage from the import rights total.

This guarantee must provide the Customs clearances and excises payment for the stored goods that can become exigible and are constituted in the Customs Office' favour, where the Customs warehouse statement is deposited.

We'd like to mention the followings:

Oil Terminal supplies services regarding crude oil, petroleum, petrochemical and liquid chemical products from import' storage, receiving, loading, export and transit, **products not being the company' propriety but the clients' propriety.**

Through the oil terminal, a percentage of 50% from Romania' crude oil, petroleum and liquid petrochemical products imports, exports and transits are achieved, having an outstanding role in the national energetic system.

Oil Terminal is authorized as a **Customs warehouse** according to authorization no. RO CT 00003/2010.

We remind that, on 25.06.2018, Customs General Direction issued Decision no.145 regarding the instructions related to constituted guarantees for Customs operations and regimes running, intructions according to which, Customs warehouse has also the obligation to fully guarantee the excise for the goods entered the TEMPORARY STORAGE included.

Currently, OIL TERMINAL SA has guarantee letters in an amount of about 250 million lei for the Customs warehouse activity and guarantee letters in the amount of 34 million lei for fiscal warehouse activity, fully about 300 million lei in order to can run its activity as a port operator.

The coming into force on the 1st May 2019 of the new Customs stipulations might attract the following risks for the company' activity:

1. International traders for temporary storage and transit operations might avoid Constanta Port, determining a decrease by 25% percentage of the company' turnover and a diminishing of traffic in Constanta Port.
2. Increase of price per ton of product determined by the expenses with guarantees constitution.
3. Avoidance of Oil Terminal' storage farms, location where state authorities can get any information documented on any coming in or out good, can determine tax evasion events by using other ways of petroleum products handling.
4. Difficulty of effort to attract new clients, as, they need to have the global guarantee letter increase and re authorization, before the vessel's arrival in Constanta Port.

Applying the new Customs legislative alterations has the consequence a global guarantee constitution for a bigger amount than the company assets' value, reason for which the company started steps to get, in legal terms, a diminishing of this guarantee quantum.

**General Director,
Sorin CIUTUREANU**

**Development Director,
Marieta STASI**

**Chief of Shareholding – Communication Dept.
Sofia ZAGANEANU**