

Declaration Offering Injected Gas as Collateral – for Gas Loan and Storage Services

We, the undersigned (name, position) and (name, position), representing (name, address, trade registry No.) hereby declare the following:

..... (seat:) (hereinafter referred to as System User) and Hungarian Gas Storage Ltd (hereinafter referred to as MFGT) concluded a capacity booking contract on natural gas storage on 201_. To guarantee its contractual obligations, System User issued a declaration on 201_ to the effect that instead of the bank guarantee it offers ... kWh of the natural gas energy quantity it injected into MFGT's underground natural gas storage facilities to cover the contractual fees relating to the storage year of 201_/201_ .

System User and MFGT concluded a Contract on Lending and Borrowing Natural Gas (Gas Loan contract) on 201_. Also as a collateral guaranteeing the return of the natural gas energy quantity borrower and covering the storage fees relating to this quantity, System User (as borrower) offered a further ... kWh out of the natural gas quantity injected in the storage year 201_/201_ – exclusively or combined with bank guarantee – as collateral to MFGT.

By signing this declaration, – for the purpose of ensuring that parties jointly and uniformly use all the collaterals offered by the System User to cover the obligations under any and all contracts between them – System User agrees that pursuant to the Gas Loan Contract in addition to the capacity booking contract on natural gas storage for the storage year 201_/201_, MFGT can use a further ... kWh out of the natural gas energy quantity injected in storage year 201_/201_ – exclusively or in combination with a bank guarantee – also as a collateral for returning the natural gas energy quantity borrowed by the System User (as borrower).

System User as a system user using natural gas storage service and as the user of the gas loan represents that this declaration shall be construed as the extension and amendment of its “Declaration Offering Injected Gas as Collateral” issued on 201_ and “Declaration Offering Previously Injected Gas as Collateral Relating to Gas Loan Contract” issued on ... October 2018, that is it shall fully and uniformly guarantee both of its contractual obligations (returning the natural gas energy quantity borrowed, guaranteeing coverage for storage fees related to this quantity and paying the contract fees pertaining to storage year 201_/201_).

Accordingly, System User represents that by this declaration, System User amends its “Declaration Offering Injected Gas as Collateral” issued on 2018 according to the following.

I. In case of offering injected gas exclusively as collateral:

- 1) System User shall keep a gas energy quantity injected as collateral in MFGT's unified storage facility that covers the energy quantity (in kWh) of the natural gas lent pursuant to the Gas Loan Contract (hereinafter referred to as Natural Gas Lent) and also the contract fees relevant for storage year 201_/201_ (hereinafter referred to as Storage Fees) (in HUF). (The energy quantity of the Natural Gas Lent as per the Gas Loan Contract and the Storage Fees, hereinafter jointly referred to as Collateral Value shall be determined partly in kwh and partly

in HUF. The HUF amount is specified according to Annex No. 6 of MFGT's Code of Business Conduct (Terms of Contractual Guarantees)).

- 2) The energy quantity of the injected gas offered as collateral may not fall below the Collateral Value during the term of the Gas Loan Contract. Accordingly, the natural gas energy quantity injected as collateral may be decreased monthly by MFGT on condition that the energy quantity covers the Collateral Value at all times.
- 3) In as far as based on the nomination submitted by the System User for withdrawal – either pursuant to the Gas Loan Contract or the capacity booking contract on natural gas storage –, it is clear that the energy quantity of the injected gas offered as collateral will not cover the Collateral Value, MFGT may refuse withdrawal until System User increases the collateral to the Collateral Value by offering and injecting further gas collateral.
- 4) In the event that System User fails to pay the Storage Fees in time and/or fails to return the quantity of Natural Gas Lent by the deadline, or commits any other breach of contract, MFTG shall be entitled to sell the gas offered as collateral under the capacity booking contract on natural gas storage, and/or use and transfer to its own name in the Gas Balance the gas injected as collateral under the Gas Loan Contract.

II. In case of combining injected gas guarantee and bank guarantee

- 1) As a collateral to guarantee the return of the energy quantity of the Natural Gas Lent and the payment of the Storage Fees, System User shall be entitled to provide – at its own discretion – bank guarantee in part and injected gas guarantee in part. This means that the gas energy quantity injected as collateral in the storage facility and the value of the bank guarantee (calculation thereof according to Section XIV.1 of the Gas Loan Contract) provided to MFGT shall cover the Collateral Value.
- 2) The sum of the energy quantity of the injected gas offered as collateral and the bank guarantee may not fall below the Collateral Value.
- 3) In as far as based on the nomination submitted by the System User for withdrawal – either pursuant to the Gas Loan Contract or the capacity booking contract on natural gas storage –, it is clear that the energy quantity of the injected gas offered as collateral will not cover the Collateral Value, MFGT may refuse withdrawal until System User increases the collateral to the Collateral Value – at its own discretion – by offering and injecting further gas collateral and/or by a bank guarantee (the value calculation thereof shall be according to Section XIV.1 of the Gas Loan Contract).
- 4) In the event that System User fails to pay the Storage Fees in time and/or fails to return the quantity of Natural Gas Lent by the deadline, or commits any other breach of contract, MFTG shall become entitled to use and transfer to its own name in the Gas Balance the gas injected by the Borrower as collateral and/or call the bank guarantee in order to ensure the payment of the storage fees and/or the return of the Natural Gas Lent.

Furthermore, System User understands that in addition to the stipulations herein, the Gas Loan Contract and its annexes, the capacity booking contract on natural gas storage dated 201_ together with its annexes and MFGT's Code of Business Conduct shall apply to the gas injected as collateral, with the proviso that in case of any inconsistency, the stipulations herein shall be

primarily, the provisions of the Gas Loan Contract shall be secondly, the capacity booking contract and its annexes shall be thirdly and the Code of Business Conduct shall be fourthly applied.

System User further represents that parts of the "Declaration Offering Injected Gas as Collateral" and the "Declaration Offering Previously Injected Gas as Collateral Relating to Gas Loan Contract" not amended by this declaration shall remain in force with unchanged content.

Budapest, 201_

System User:

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(System User)

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(System User)

I accept the declaration:

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Name / Position

Hungarian Gas Storage Ltd

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Name / Position

Hungarian Gas Storage Ltd