

Gas Loan Storage Service

As provided for in HEPURA Resolution No. 1567/2013 (MFGT operational licence) as amended by Resolution No. 615/2015 of the Hungarian Energy and Public Utility Regulatory Authority (HEPURA), and also in Section 141/G of Act No. XL of 2008 on natural gas supply, MFGT owns 120 million m³ (15 °C)* working gas, for the lending of which – under specified conditions – it has a permit from HEPURA.

*As of 01.10.2015, kWh-based (GCV, 0 °C) settlement is required, the Gas Quantity specified in the auction announcement notice shall be offered.

Subject of Contract

Borrower is entitled to borrow a contractually specified part of the reclassified working gas (hereinafter referred to as Gas Quantity) for its own use, for a gas lending fee, while providing the required collateral (bank guarantee, gas guarantee). The loan fee does not include consideration for the working gas, injection and withdrawal capacities related to the borrowed Gas Quantity nor the relevant volume fees.

After the entry into force of the contract, Borrower shall pay the total loan fee, following which Borrower shall take over the total Gas Quantity in the unified storage facility on the Gas Day defined in the announcement, and shall return the total Gas Quantity to MFGT not later than until the Gas defined in the announcement.

A precondition for the transaction shall be the acceptance that after lending, upon notification from the Hungarian Energy and Public Utility Regulatory Authority (HEPURA) or upon a ministerial decree pursuant to Section 141/G (3) of the Gas Act (hereinafter referred to as Mandatory Return), the total Gas Quantity borrowed shall be replaced within the deadline specified in the notification sent by MFGT. In the event of Mandatory Return, if the return deadline as per the relating notification or decree precedes 31 March 20__, parties shall pro-rata settle with each other (on the basis of the gas days used), and if it falls after the specified date, MFGT will not make any refund from the loan fee.

Neither primary, nor secondary trading of the gas loan product is possible.