

FRAMEWORK CONTRACT ON USING AND PROVIDING DAILY PEAK PLUS NATURAL GAS STORAGE SERVICE

concluded by and **between**

seat:

mailing address:

account keeping bank:

bank account No.:

invoicing address:

tax No.:

court of Reg. and Reg. No.:

hereinafter referred to as **System User**

and **Hungarian Gas Storage Limited Company**

seat: 1051 Budapest, Széchenyi István tér 7/8.

mailing address: 1399 Budapest, Pf. 645.

account keeping bank:

bank account No.:

invoicing address: 1051 Budapest, Széchenyi István tér 7/8.

tax No.: 12543317-2-44

Court of Registration and Reg. No.: Budapest Court as Court of Registration, Cg. 01-10-045043

hereinafter referred to as **MFGT**

or jointly referred to as the **Parties** at the undersigned place and date under the following terms and conditions:

I. Subject and Duration of Framework Contract

1. The subject matter of this Framework Contract on Using and Providing Daily Peak Plus Natural Gas Storage Service (hereinafter referred to as Contract) is the firm injection of the natural gas owned by the System User into the Hungarian underground gas storage facilities owned and operated by MFGT according to the quantity parameters as per Chapter III and quality parameters as per Chapter IV. Within Daily Peak Plus, the System User can purchase additional daily injection capacity at the existing minimum technological ratio in addition to its booked injection capacity. Additional daily injection capacity (additional peak) thus booked facilitates a faster injection of the already existing working gas capacity booked earlier by the System User pursuant to the natural gas storage contract (hereinafter referred to as master contract). Additional capacities booked within Daily Peak Plus shall be settled separately, and will not be combined with the fees of existing capacities already booked in the master contract. Booked injection capacities available under the annual master contract and the daily injection capacity can be used together.
2. As per this Framework Contract, System User can submit its additional capacity booking request pursuant to Section III/3 on the MFGT platform, where capacity can then be booked if confirmed by MFGT.

Pursuant to this Framework Contract, System User does not commit itself to actually book any additional capacities.

Pursuant to this Framework Contract, MFGT shall commit itself to provide additional capacities only if:
 - (i) available additional capacity actually exists and
 - (ii) there are no technical obstacles preventing the provision of additional capacities and
 - (iii) the System User does not have overdue debts of any kind to MFGT.
3. Parties agree that the System User has a natural gas storage master contract and storage capacity booking at the minimum technological ratio for the storage year of 2014-2015.
4. Parties contract for using and providing Daily Peak Plus Service (additional injection capacity). Pursuant to this contract, MFGT shall inject gas into the natural gas storage facility based on the capacity booking of the System User submitted and confirmed as per Section III/3. This present Contract shall be concluded for a definite period. This Contract shall be concluded and take effect on the day of signature, and shall terminate on 01.10.2014 at 6:00 hours.

5. The contractual injection cycle of the storage year shall be the period announced by MFGT. The contractual injection cycle shall start at 06:00 hours on 1st April 2014, and shall end at 06:00 hours 1st October 2014.

II. General Terms

1. In issues not regulated by the Contract, the provisions of the General Terms and Conditions (hereinafter referred to as ÁSZF), Annex No. 5 of the Code of Business Conduct shall apply.
2. By signing this Contract, the System User shall acknowledge to have fully read and understood the content of ÁSZF herein mentioned – as available on the MFGT web page (www.magyarfoldgaztarolo.hu) – and considers it to be the part of this Contract, and so agrees to be bound by it. Parties shall deem the content of ÁSZF annexed to the Code of Business Conduct approved by MEKH (HEPURA) to be the same as the usual contracting practice.
3. Special conditions not stipulated in the ÁSZF shall be specified in this Contract.

III. PROVISION OF STORAGE CAPACITIES

1. The amount of daily Peak Plus natural gas storage (additional injection) capacities booked by the System User shall depend on capacity bookings submitted by the System User – and confirmed by MFGT.

System User shall nominate its booking request towards MFGT by filling in and submitting the Statement of Use (Annex No. 1 hereto).

If the System User's request is confirmed by MFGT, a contract on using daily Peak Plus capacities is concluded by and between the parties for that given day.

The basis of settlement shall be the amount of capacity confirmed.

2. Requests for daily Peak Plus natural gas storage (additional injection) capacities shall be submitted and confirmed (conclusion of contract on daily bookings) as per this Section. In order to use daily Peak Plus natural gas storage (additional injection) capacities, System User shall nominate its capacity booking request for the required quantity until 15:00 hours on the preceding gas day by submitting the Statement of Use on the IT Platform of MFGT. MFGT shall confirm it to the System User until 15:30 hours if daily Peak Plus natural gas storage (additional injection) capacities are available. Following this response, System User shall verify its request in writing in a duly signed statement submitted by telefax until 16:00 hours. The contract on using and providing daily Peak Plus natural gas storage (additional injection) capacity is concluded for the given gas day when MFGT receives the verification of the request.

3. As per this present contract, MFGT shall not be obliged to provide injection capacities exceeding the peak capacities stipulated by Section III.1 of the Contract.
4. The amount of daily Peak Plus natural gas storage (additional injection) capacities booked by the System User shall not be subject to secondary capacity trading, and such transactions will not be recorded on the IT Platform by MFGT.

IV. INJECTION GAS QUALITY

MFGT shall undertake to inject natural gas only if it meets the quality parameters prescribed by Annex No. 11 of Government Decree No. 19/2009 (I.30.) on the implementation of Act No. XL of 2008 on Natural Gas Supply. In the event that gas quality fails to meet these parameters, MFGT may refuse injection.

V. NATURAL GAS DELIVERY AND ACCEPTANCE, MEASUREMENT, SETTLEMENT

1. According to Section I.3.2 of the Code of Business Conduct, MFGT manages the storage facilities as a unified whole. Natural gas delivery and acceptance, measurement and settlement shall be carried out in line with the annual natural gas storage master contract.

VI. OPERATIVE FLOW OF INFORMATION

1. In the course of its daily activities, MFGT shall cooperate with the Transmission Company and the Transmission Operator to fulfil its obligations towards the System User.
2. Parties ensure that besides the regular contacts specified in this present Contract, they shall notify each other of all incidents which may have an effect on their cooperation, and they facilitate smooth communication via consultation opportunities and proper dataflow.
3. Information and data flow between the Parties are governed by the Grid Code and the ÁSZF.

VII. DAILY PEAK PLUS NATURAL GAS STORAGE (ADDITIONAL INJECTION) CAPACITY FEE

1. The daily fee of the service

additional injection capacity fee: HUF 0.1 + VAT/ MJ / day

The fee shall be payable following the base month upon summing up daily booked capacities, and shall exclude volume fees.

2. MFGT shall issue the invoice pursuant to the contract on daily bookings. The total sum of volume fees shall be invoiced pursuant to the tariff resolution, every month upon the actual monthly volume turnover.
3. Service fee shall be paid to MFGT by the Bidders following each base month, in line with their booked capacities.

VIII. GOVERNING LAW, SETTLEMENT OF DISPUTES

Parties shall agree to settle the disputes relating to the contract primarily via amicable negotiation.

Failing such settlement in any disputes arising from or relating to the contract or its breach, termination, validity or interpretation, both parties hereby agree to subject themselves to the exclusive jurisdiction of the Arbitration Court in the Energy (Budapest), provided that the Court of Arbitration proceeds according to its own Rules of Procedure. The number of arbitrators shall be three. The language of procedure shall be Hungarian.

IX. ENTRY INTO FORCE

This contract shall enter into force on the day of its conclusion by both parties.

X. GUARANTEES

1. System User shall issue a statement ("Statement") granting its consent to MFGT to use the injected gas provided by the System User as a guarantee pursuant to the annual capacity booking contract between the parties, also in case of payment default as per this contract, i.e.: in the event that the System User fails pay, MFGT shall be entitled to sell the injected gas stock – to the extent of its outstanding receivables – pursuant to Section 27 of Act No. XL of 2008 on natural gas supply (Gas Act). This contract enters into force on condition that the Borrower delivers to MFGT the statement offering the natural gas injected as a guarantee. The Statement shall be annexed to this Contract.
2. System User shall understand that in case it has overdue payment obligation to MFGT as per this contract, System User can submit neither any Statement of Use as per this contract, nor any nomination for storage capacities available under the annual master contract.

XI. OTHER PROVISIONS

1. Contact Persons

In issues related to the Contract:

On behalf of the System User:

On behalf of MFGT: Balázs Lakatos

Phone: 1/354-7058, 30/269-0775

Fax: 1/354-7045

email: lakatosb@mfgt.hu

On behalf of the System User:

Phone:

Fax:

Email:

In issues of daily operative contact:

On behalf of the System User: the System User's person on duty

Phone:

Fax:

Email:

On behalf of MFGT: Dispatching service

Phone.:52/362-574

Fax: 52/558-044

email: dispatcher@mfgt.hu

This present Contract shall be valid together with the attached Annexes, which shall form an inseparable part thereof.

Annexes:

1. Statement of Use
2. Working Gas Offering Statement extension

Budapest,

Hungarian Gas Storage Ltd.

System User

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