

GENERAL CONTRACT CONDITIONS FOR SPECIAL USERS

KAPACITÁS ENERGIA KERESKEDŐ ÉS SZOLGÁLTATÓ KFT.

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These General Contract Conditions ("GCC") include the contractual terms and conditions for full electricity supply for users (hereinafter: Users) provided (not on the basis of universal service) by Kapacitás Energia Kereskedő és Szolgáltató Kft. ("Supplier"), and they therefore constitute an inseparable part of the contracts concerning them.

1. PRECONDITIONS FOR THE CREATION AND ENTRY INTO FORCE OF AN ELECTRICITY PURCHASE/SALE CONTRACT

It is a condition for the Contract concluded with a User that, by signing the electricity purchase/sale contract, the User declares:

- the User has legally terminated its previous purchase/sale contract, if it previously had an operative supply contract;
- there are no unpaid energy charges at the Point of Use that have resulted in a recovery procedure currently or within the previous six months;
- there is no liquidation process in progress against the User and it has no knowledge of any third person having lodged a petition for ordering such a process;
- it has not initiated any process leading to the initiation of bankruptcy proceedings or a liquidation process against itself, no such process is in progress, and it has no intention of initiating such a process;

If it is a non-profiled User or Point of Use, an additional condition for the Supplier's performance of the contract is that the User has a metering device at the Point of Use that indicates and stores consumption and at all times ensures a data uptake connection at the Point of Use that makes remote readings possible.

If any of the User's above declarations is untrue at the time the Contract is concluded, the Contract does not come into being; or if it is revealed at a later date that the declaration is untrue, the Contract will terminate on the first day of the month following the date on which the Supplier becomes aware of it without any further action being taken, and the Supplier will notify the User of this in writing. The Supplier, however, may deviate, in the User's favor, from this rule and may terminate the Contract prospectively. If this happens, the Contract will expire on the day indicated in the termination notice. If the Contract is terminated for this reason, the User is obliged to pay a penalty whose amount is equal to the contract price times the amount of electricity not consumed because of breach of contract out of the minimum amount of electricity the User agreed to consume on the basis of the electricity purchase/sale contract. If no minimum amount of electricity has been defined in the User's contract, the User must pay to the Supplier the contract price of the amount of electricity not yet consumed at the time the Supplier is notified of the invalidity of the notice out of the contracted amount of electricity but at least 30% of the price of the total contracted amount (as a penalty).

2. THE SUPPLIER'S OBLIGATIONS AND RESPONSIBILITIES

2.1. The Supplier is responsible for purchasing the entire supply of electricity to meet the demand at the Point of Use; that is, the Supplier must purchase, in its own name, the amount of electricity used at the Point of Use by the User. The Supplier must fully ensure the supply of customers on the basis of a cooperation agreement with the competent Distribution System Operator.

2.2. According to the electricity purchase/sale contracts, the transmission system is the place of performance of the Supplier's obligations. The electricity purchase/sale contracts must be regarded as performed by the Supplier if, on the basis of its contract, an amount of electricity that corresponds to the User's demand has been injected into the transmission system. Since the given Distribution System

Operator is responsible for delivering the electricity specified in the Contract to the User's connection points, the Supplier assumes no responsibility for qualitative or quantitative errors in the electricity delivered at the consumption site.

2.3. The Supplier must carry out its electricity trading and balance-member activities under the scope of the purchase/sale contract it has with the User.

2.4. The User is automatically a member of the Supplier's balance group during the life of the User's Electricity Purchase/Sale Contract with the Supplier. The Supplier acts as the entity responsible for the balance group in regard to the User.

3. THE USER'S RIGHTS AND OBLIGATIONS

3.1. Electricity network connection and access

In order to connect to the public electricity network, the User must conclude a network connection contract with the Distribution System Operator or have the Supplier do so. The mandatory contents of the network connection contract are specified in Clause 6 of the Electricity Network Connection and Access Rules (hereinafter: Rules), which constitute Annex 2 to the Electricity Act Implementing Decree.

The system user (User) must conclude a network access contract with the Distribution System Operator in order to have uninterrupted access to the public electricity network and use of it. The mandatory contents of the network access contract are given in Clause 8 of the Rules, which constitute Annex 2 to the Electricity Act Implementing Decree.

The User must keep the network connection and access contract in effect during the life of the Contract. A full supply contract may be concluded for up to the amount of the capacities specified in the User's network connection and access contract.

If the Distribution System Operator informs the Supplier that the User's network connection or network access contract has terminated, the Contract too will terminate, and the Supplier will proceed in accordance with Clause 6 below.

3.2. Connection to the Supplier's balance group

The User connects to the balance group represented by the Supplier in regard to its connection points as specified in the contract, on the day the full-supply electricity purchase/sale contract enters into force. If it is required by legal regulation/supply rules or the system operator's business rules or if the User requests it, the Parties will also conclude a separate contract concerning balance group membership for the User's specified connection points. The User's balance group membership is in effect until the Parties' full supply electricity purchase/sale contract expires.

3.3. The User must pay the charges specified in the Contract (against a bill) in accordance with the provisions of the Contract and Clause 5 below.

If payment for the electricity used by the User and the User's other charges is permanently or temporarily assumed by a third person (natural person, legal person, or unincorporated enterprise) in accordance with the agreement with the Supplier, this person's (payer's) liability is joint and several with the User.

3.4. During the life of the Contract, the User agrees to buy all of the electricity needed for the Point of Use from the Supplier. The User acknowledges that the Supplier may terminate the Contract immediately if the User violates this provision. The User provides the Supplier with the right and opportunity to make offers regarding the supply of all additional new points of use.

3.5. Before signing the Contract, the User must inform the Supplier of the companies it supplies to which it would like to continue to resell the electricity it receives from the Supplier in the future as well (in accordance with the Electricity Act and its implementing decree). If, instead of using the electricity it has received at the Point of Use, the User wants to resell it to other natural or legal persons once the Contract

has entered into force, the User must notify the Supplier accordingly. The Supplier may refuse to let the electricity be resold or may link resale to certain conditions.

3.6. If the User is dissatisfied with the Supplier's services, it may lodge a complaint with Supplier's customer service or with administrative organizations performing user advocacy and interest protection.

4. MEASUREMENT OF DELIVERED ELECTRICITY

4.1. Measurement and reading of delivered electricity and available capacity.

The electricity traffic between the Parties may be measured with an officially certified metering device that is owned by the Distribution System Operator and conforms to the relevant standards and safety and metering regulations. If the conditions for measuring energy traffic are not present, the Distribution System Operator may estimate consumption or charge a flat rate. All of the measurements, meter readings and inspections are made by the Distribution System Operator, and the data are transmitted to the Supplier immediately.

If the Distribution System Operator does not transmit the data needed for billing to the Supplier and the Supplier is consequently unable to fulfill its contractual obligation to issue a bill to the Customer, the Supplier may issue the Customer a bill on an estimated amount. The bill on the estimated amount cannot be more than the amount contracted by the Customer or one month's average of the consumption estimated on the basis of Standard Annual Consumption (SAC). Once the Distribution System Operator has provided the necessary metering data on the basis of actual consumption, the Supplier will issue a final bill. A bill issued on the basis of incorrect measurements may be paid by the system user/User in equal installments within the same time as the period of incorrect or delayed billing.

4.2. Classification into profile groups, determining Standard Annual Consumption (SAC)

Load profile settlement has been introduced for Users with profile settlement and Users' Points of Use with profile settlement. A User or Point of Use has profile settlement if its supply comes from the low-voltage network and it does not have a smart metering device for registering the load curve.

The consumption site must be assigned to a nationally, universally determined profile group approved by the Hungarian Energy and Public Utility Regulatory Authority (for each connection point if there are several of them). The profile group for the given User/Point of Use must be determined by the Distribution System Operator at the time the network access contract is concluded, and it must be specified in the network access contract. Profile settlement requires the determination of the probable annual consumption of the User/Point of Use (Standard Annual Consumption, SAC). The use of load profiles will help to plan the User's consumption and prepare the User's schedule in the period between the Point of Use's two meter readings. The detailed rules for all this are included in the Distribution Code and the distributors' business rules.

4.3. Procedure to be followed in the case of incorrect measurement

If the metering device installed at the User's site does not measure consumption or does not measure consumption correctly (hereinafter: incorrect measurement) or if the metering device's certification date has expired, its data may not be used as a basis for billing.

If either Party learns of any malfunction in the settlement metering, it must immediately notify the other Party and the Distribution System Operator by telephone or in writing (by letter, fax or email).

If the meters malfunction, the consumption data are determined on the basis of the User's network access contract and the Distribution System Operator's Business Rules. Additionally, if the period in which the metering device or any part of it is operating improperly is retroactively verifiable, the data that have already been read must be corrected.

5. ELECTRICITY SERVICE CHARGE AND BILLING IT

5.1. Amount of the charge

The User must pay the charge specified in the Contract, and the User must do so in accordance with the provisions stipulated there. The open-market energy charges and tariffs applied by the Supplier do not require the approval of the Hungarian Energy and Public Utility Regulatory Authority; the Supplier is free to determine their amounts as it will.

If taxes or other financial burdens payable in the manner of tax burdens are newly introduced by administrative order or legal regulation during the life of the Contract, they will be included in the charge payable by the User in the same manner, provided this is not disallowed by legal regulation. In the absence of any legal provision to the contrary, the Supplier is therefore entitled to pass on – automatically, but in a fixed amount – any such financial burden imposed by legal regulation or administrative order to the User, who must pay it for the electricity service that constitutes the object of the Contract.

5.2. The basis for billing

The Distribution System Operator determines the amount of electricity supplied in the billing period by reading the meters at the connection points (with the exception of drawing electricity without the equipment to measure consumption), and this amount must be adjusted by the losses of the unmetered equipment between the connection point and the meter point. The Distribution System Operator transmits the data used as the basis for billing to the Supplier.

5.3. The billing period and the final bill

The Supplier determines the service charge for the billing period. Unless otherwise agreed, the billing period for a User with time-of-use settlement is one month. Since the Distribution System Operator usually reads the metering devices of Users with profile settlement once a year (in accord with the network access contract), the billing period is one year. The Supplier agrees to put the performance date of the regular service it provides on the bills it issues.

The Supplier makes out a final bill for the billing period on the basis of the consumption data it has received from the Distribution System Operator and in accordance with the contract it has with the User. If the User does not receive the bill issued by the Supplier within 15 calendar days of the last day of the billing period, the User must notify the Supplier's call center of this.

If the metering device is not read, the billing period is automatically extended by a period corresponding to the original billing period. If the meter cannot be read, the Supplier may issue an estimated bill for the scheduled date of the reading. If the consumption metering device is re-read without result, the Supplier will make out the bill on the basis of an estimated meter reading. The Supplier is not liable for billing on the basis of an estimated bill.

5.4. For Users with profile settlement, there may be extraordinary billings that differ from the annual meter reading and billing schedule:

- when the Contract expires (e.g., when the supplier changes, the User moves, or the Point of Use terminates);
- when the Contract is amended if the nominal connection capacity exceeds the profiling limit.

5.5. Estimated bill

The Supplier makes out estimated bills within the annual billing period on the consumption estimated according to the contract or – if there is a special agreement between the Parties – the consumption reported by the User, and these will, in the absence of any agreement to the contrary, be in equal monthly installments.

5.6. Paying the bills

The User pays the charges in connection with the electricity service on the basis of the documents (bills) sent on behalf of the Supplier by paying on the payment deadline and using the payment method specified in the Contract.

The Supplier keeps customer accounts on the debts incurred by users through their use of the service and on the users' payments.

5.7. Date of performance for a payment obligation

The User pays the charges in connection with the electricity service on the basis of the documents (bills, collection letters) sent on behalf of the Supplier and does so by the payment deadline specified in the Contract.

In the absence of any agreement between the Parties to the contrary, the payment deadline specified in the electricity purchase/sale contract must be calculated as of the day on which the bill is issued.

Payment is considered as having been made by the User when the money is credited to the Supplier's bank account.

The Supplier keeps customer accounts on the debts incurred by users through their use of the service and on the users' payments.

The Supplier credits the User with the amounts to be paid back to the User (including any penalties, damages, and amounts credited to the bill that are payable by the Supplier on the basis of this Contract or an official decision or directive) in the following account(s) and until such amounts are paid, it keeps them in the credit account kept in the User's name. At the User's written request, the Supplier immediately repays the User the amount to be paid back.

The invoices and collection letters issued by the Parties are to be paid by bank transfer to the bank account specified in the Contract or one mutually agreed in writing by the Parties. The costs in connection with payment (including the costs in connection with making a bank transfer) are to be borne by the User. Any deduction from the amount of the bill submitted can only be made if there is a special written agreement between the Parties. The User must indicate the serial number of the bill being paid in the reference section on the bank transfer. The User must transfer the payable amount to the Supplier's bank account so that the amount is credited before 2 p.m. on the payment deadline date. If the payment deadline is not on a working day, the payment must be made on the last working day before the deadline unless the Parties have reached an agreement to the contrary.

In the matter of payment deadlines, the following are considered working days:

a) if payment is made in Hungarian forints (HUF): any day on which banks are open in Hungary and providing the usual business services;

b) if payment is made in Euros (EUR): any day on which banks are open in Hungary and providing the usual business services, and the given day is also a TARGET day. A TARGET day is a day on which euro payments can be made through the Trans-European Automated Real-time Gross Settlement Express Transfer payment system.

The payment deadline for payment obligations specified in the form of a collection letter (penalties, surcharges, fines, damages, etc.) is eight calendar days from the date on the collection letter unless the Parties have reached an agreement to the contrary.

5.8. Objection to the bill

The User may object to the Supplier about the bill at any time prior to the working day preceding the day the bill comes due. Raising the objection does not in any way postpone payment of the bill.

The Supplier or its agent must investigate the objection and notify the User in writing of the result of its investigation within 15 days of receiving the objection.

If, because of incorrect or delayed billing, the Supplier or its agent is entitled to the charge or the difference in charges, the User may make a written request to the Supplier asking for easy terms of payment. If the Supplier acknowledges the User's request for easy terms of payment, it may approve payment in equal installments within a time that is no more than the period of incorrect or delayed billing.

In a case such as this, the Parties must conclude a written agreement. Payment beyond these payment deadlines and the User's or payer's failure to pay when the charges on its other bills come due constitute late payment.

If the Supplier or the User does not fulfill its payment obligation as specified in the agreement, it must pay the other party the interests specified in separate other regulation as well as the verified costs.

5.9. Late payment

Late payment refers to the User's failure to pay the charge specified on the bill sent to it by the payment deadline that is defined in the Contract.

If the User does not pay the bill by the deadline specified on the bill (due date), the Supplier will calculate a default interest in the amount specified in the Contract. The Supplier uses the central bank base rate in effect on the day of default to calculate the default interest.

If the User makes an unfounded complaint about the bill (and does not pay the entire amount of the bill before the payment deadline), the User must pay default interest. The obligation to pay interest begins on the date following the due date appearing on the bill. The obligation to pay interest exists even if the User's default is excused. The Supplier may impose a charge for any other verified costs resulting from the User's late payment.

5.10. Collecting payment arrears

If the User does not pay the charges for the services it has used by the deadline, the Supplier will charge default interest and also submit the debt to arrears management process.

The Supplier may contact the User or the paying party specified in the Contract by telephone in order to arrange payment of the arrears. In order to do this, the Supplier may use information from public telephone books, telephone numbers provided at the time the Contract was concluded, and any telephone numbers it has acquired with the consent of the User/payer during any contact between the Supplier and the User/payer.

The Supplier issues a written payment notice informing the User or the paying party that it may take action to suspend service if the debt is not paid.

According to this GCC, the Supplier may give the User's/Consumption Site's or payer's data to a third party for the purpose of debt management without prior notification of the User/payer.

If the User fails to meet its payment obligation within the time specified in the Contract, the Supplier may suspend supply (disconnection), exclude the User from the balance group or terminate the Contract in accordance with the following.

If the Supplier has disconnected the User from service because of unpaid bills, the User will initiate reconnection to service within 24 hours once the circumstances that led to the breach of Contract have been eliminated and the User has paid the disconnection and reconnection costs (service charge, surcharge, interest, damages).

The Supplier is entitled to seek to collect the debt by turning the debt-related data over to an outside collection agency with a data protection registration number for court proceedings or out-of-court action, or the Supplier may transfer the data to a third party as an assigned claim. Acting on the basis of the legal regulations in force, the Supplier may initiate liquidation proceedings against Users (debtors). The Supplier may charge the costs it incurs in connection with the procedures mentioned in this point to the debtor as a special procedural fee.

During the arrears management process, the User may ask the Supplier for easy terms of payment. The Supplier is not required to conclude an installment or deferred payment agreement. The request will be judged on the basis of the amount of the debt, the method of payment, the User's payment discipline, and

the bills' due dates. The Supplier may require immediate payment of a certain part of the debt as a condition for concluding the agreement. The Supplier may link the conclusion of the easy payment agreement to the obligation to pay interest. The interest may be higher than the interest on late payments specified in the purchase/sale contract; the precise amount of this interest is to be specified by the Parties in the payment agreement. If the Supplier approves of the easy terms of payment, it will conclude a written agreement with the User on the conditions. Initiating the easy payment agreement will not delay or postpone disconnection.

5.11. Security deposits in the case of late payment or breach of contract

5.11.1. At the time the contract is concluded or at a later date, the Supplier may require the User to provide a security deposit and/or post a bond in the event the User fails to pay the billed charges by the deadline specified in the Contract or if it fails to pay for the service.

5.11.2. If, instead of the User, the Supplier agrees to pay the network access charges, the User must provide the Supplier with a security deposit against a breach of the network access contract if the Supplier asks for it in writing. The form and amount of the security are determined by the Supplier on a case by case basis.

5.11.3. The Supplier may ask the User for security and/or collateral security, particularly if the Supplier has reasonably determined that

- (i) the User's financial position has changed negatively, or
- (ii) the depreciation of the existing securities can no longer provide the Supplier with adequate coverage, or
- (iii) there is any other circumstance that warrants such a security.

5.11.4. The User must deliver to the Supplier the securities it has agreed with the Supplier.

5.12. Risk rating

5.12.1. The Supplier is entitled to unilaterally modify the Payer's risk rating in accordance with its applicable rules. If the Payer's risk rating changes, the Supplier may change the payment deadline and the time limit for the suspension of network access after giving prior notice in accordance with the following:

| Risk rating | Payment deadline | Disconnection |
|-------------|-------------------|---------------|
| A | special agreement | 30 days |
| B | 20 days | 15 days |
| C | 15 days | 10 days |
| D | 12 days | 5 days |
| E | advance billing | 1 day |

5.12.2. If the Parties have agreed on a payment deadline that is more stringent than the Payer's risk rating determined at the time the Contract is concluded, the payment deadline will remain unchanged in the event the Payer's risk rating is downgraded until the Payer's risk rating reaches the category that corresponds to the risk rating specified in the Contract.

6. BREACH OF CONTRACT

The Parties' violation of the obligations they have undertaken in the Contract (e.g., failure or default in performance) will require the payment of a penalty, surcharge and damages and will entitle the other Party to terminate the Contract without notice. The Parties are exempt from the legal consequences of

breach of contract if they prove that the breach occurred as a result of force majeure. The cases of breach of contract specified in this clause and the legal consequences prescribed here do not exclude any of the cases of breach of contract specified in any other clause of the Contract and the legal consequences attached to them.

6.1. The User's breach of contract and the consequences

a.) If the User does not perform its contractual obligation to pay the charges specified in the Contract or GCC; or if it does not pay a penalty, a surcharge, or the amounts owed to the Supplier specified in any other contract; or if it fails to make payment even after the disconnection deadline for the User's risk Category; the consequence for breach of contract is:

- default interest;
- disconnection;
- termination of the Contract.

b.) The User does not fulfill its electricity off-take obligation because the distribution system operator has suspended supply at the given point of consumption owing to the User's breach of contract or because the distribution system operator has disconnected the point of consumption from the supply. The consequence for breach of contract is immediate termination, an underconsumption surcharge and payment of damages;

c.) The User does not draw the amounts allocated in the contract (underconsumption) or draws more than the maximum amount indicated in the Contract (overconsumption). The consequence for breach of contract is a

- surcharge, whose base and amount are found in the Contract.

If the Parties have agreed on the purchase/sale of a Maximum Amount of Electricity in their electricity purchase/sale contract, the price of electricity that exceeds this amount (overconsumption):

1. includes a premium rate for the electricity consumed;
2. is payable, irrespective of the actionable conduct of the User, on an objective basis (the premium rate should not be paid if the overconsumption was due to force majeure or any circumstance for which the Supplier is liable; the User, however, must still pay the ordinary contractually stipulated fee for the electricity consumed);
3. entails the obligation to pay VAT since it qualifies as consideration for the service;
4. includes a premium rate which, if it is not paid, may result in the User being disconnected from the service in accordance with the general provisions set forth in the electricity purchase/sale contract due to the accumulated arrears.

If the Parties agree on the purchase/sale of a Minimum Amount of Electricity in their electricity purchase/sale contract, the price of electricity that stays below this amount (underconsumption):

1. is a surcharge payable as a sanction for breach of contract and also serves as damages for any injury that has been caused;
2. is payable, irrespective of the attributable conduct of the User, on an objective basis (it should not be paid if the underconsumption was due to force majeure or any circumstance for which the Supplier is liable);
3. does not entail any obligation to pay VAT;
4. is a surcharge which, if it is not paid, may result in the User being disconnected from the service in accordance with the general provisions set forth in the electricity purchase/sale contract.

d.) If the User retransmits electricity provided by the Supplier for the supply of points of consumption

without the prior written consent of the Supplier, The consequence for breach of contract is immediate termination and payment of damages;

e.) the network access and/or network connection contract is terminated or the User ceased while the electricity purchase/sale contract was in effect. The consequence for breach of contract is an underconsumption surcharge and the invalidation of the electricity purchase/sale contract;

f.) the Supplier's right to provide full supply is violated. The consequence for breach of contract is immediate termination, an underconsumption surcharge and payment of damages;

g.) the payment deadline is missed if there is an installment payment or payment moratorium agreement. The consequence for breach of contract is immediate termination of the agreement and the electricity purchase/sale contract as well as the legal consequences specified in subpoint a);

h.) the obligation to report data changes specified in the Contract is not fulfilled or is fulfilled late. The consequence for breach of contract is payment of a penalty to the Supplier.

i.) h.) If the User violates the stipulations of the electricity purchase/sale contract, the GCC or the legal regulations in some manner other than the above and, by so doing, causes loss or injury, The consequence for breach of contract is payment of damages.

6.2. The Supplier's breach of contract and the consequences

a.) The Supplier does not supply electricity in the manner or at the time specified in the electricity purchase/sale contract; that is, supply does not begin at the time specified in the Contract. The consequence for breach of contract is a penalty and payment of damages.

b.) If the User disconnected from the electricity supply pays all of its outstanding debt and other costs, the Supplier will initiate reconnection of the User to the supply within 24 hours of learning of the User's request for reconnection and payment of the entire debt. The consequence for breach of contract is a penalty, according to the Hungarian Energy and Public Utility Regulatory Authority directive on Guaranteed Services, and

- if, for reasons within the Supplier's control, service is reconnected more than 48 hours after the User's debt is paid but within 72 hours, the amount of the penalty is 50% of the special fee for reconnection following legal exclusion of the User from electricity supply (disconnection) that is specified in the decree on services the universal service provider can perform for a special fee;

- if, for reasons within the Supplier's control, service is reconnected more than 72 hours after the User's debt is paid, the amount of the penalty is 100% of the special fee for reconnection following legal exclusion of the User from electricity supply (disconnection) that is specified in the decree on services the universal service provider can perform for a special fee;

c.) In the absence of any agreement between the Parties to the contrary, it must maintain its trading activities during the life of the Contract. If the Supplier fails to comply with this, the Contract will lapse. The consequence for breach of contract is payment of damages. Since the Supplier owes the User full compensation for 30 days from the day the Contract lapses, the Supplier must reimburse the User for its loss stemming from the difference between the fees specified in the Contract and the transparently verifiable costs incurred by the User in purchasing electricity.

d.) If the services guaranteed by the Supplier are not provided or are not adequately provided. The consequence for breach of contract is a penalty.

e.) The service's quality requirements are violated, especially

- if the Supplier fails to enter in the recordkeeping system a change in the data in connection with the Point of Use or the person of the User or payer that are necessary for fulfilling obligations and exercising the rights deriving from the Contract once the change has been reported, or if the Supplier is late in entering such data (within 15 days). The consequence for breach of contract is a penalty and payment of

damages.

· if it violates its obligations in connection with billing as a matter of normal operation. The consequence for breach of contract is a penalty and payment of damages.

f.) The Supplier violates the stipulations of the electricity purchase/sale contract, the GCC or the legal regulations in some manner other than the above and, by so doing, causes loss or injury. The consequence for breach of contract is payment of damages.

6.3. Penalties payable by the Supplier

The Supplier's obligation to pay penalties is specified in the Guaranteed Services, the Electricity Act and the Civil Code. Penalties are paid automatically for the breaches of contract defined in the Guaranteed Services, while for other breaches of contract the Supplier fulfills its obligation to pay a penalty on the basis of a user's request.

The Parties' penalty payment is not exempt from the obligation to pay full damages as specified above for a quantifiable loss or injury caused by the other Party and exceeding the amount of the penalty.

a) If the Supplier is late in beginning to supply electricity, the penalty is HUF 10,000 a day, with a maximum penalty of HUF 300,000. The payment of a penalty is contingent upon the User informing the Supplier that there has been a breach of contract. If the User does not comply with the obligation to inform the Supplier within 30 days of learning of the breach of contract, the Supplier is exempt from the obligation to pay a penalty.

b) The amount of the penalty payable for violating the recordkeeping and billing obligations is HUF 10,000 a day, with a maximum penalty of HUF 50,000; this amount is payable, at the User's request, within 10 working days, or it can be credited on the next bill.

6.4. Amounts of the surcharges payable by the User

In the instances of breach of contract specified in Clause 6.1 b), e) and f), the surcharge payable by the User is an amount equal to the contract price times the portion of the minimum amount of electricity the User has agreed to consume on the basis of the electricity purchase/sale contract but has not been consumed because of the breach of contract or, if the minimum amount of electricity has not been defined, the contractually stipulated price for the part of the contracted amount that has still not been consumed, with the minimum payment being 30% of the contractually stipulated charge for the full contracted amount.

In the instances of breach of contract specified in Clause 6.1 h), the surcharge payable by the User is HUF 10,000 a day, with a maximum surcharge of HUF 50,000 for each occasion.

6.5. Damages

The Parties must pay damages to one another pursuant to the general rules of the Civil Code. In the event of culpability, the Parties are liable for damages (primarily when the contract is breached); in other words, they are exempt from liability if they prove that they have acted duly and properly in the given situation in order to avoid default and perform faultlessly. Damages need not be paid for the part of the loss or injury that is derived from the other party's failure to act in the way generally expected in the given situation.

All of the damages ordered according to the contract must be reduced by the amount the other Party recovers from insurance or other coverage and other obligations from third persons.

If the User has a claim for damage for which neither the Supplier nor the User is liable (damage caused by a third party), the User must make a damage claim report, which the Supplier will assess according to the general rules.

The consumer protection authority and the Hungarian Energy and Public Utility Regulatory Authority do not have the authority to review legitimate decisions made by the Supplier in a compensation case. The

User may seek legal remedy in such cases.

6.6. Suspension of electricity service (disconnection)

By signing the Contract, the User explicitly acknowledges that as long as the Contract is in force:

- the Supplier may, in the cases specified in this GCC, initiate the suspension of network access (i.e., it may disconnect the Point of Use) if there are unpaid bills;
- the Supplier will initiate the reconnection of the User if the User pays its entire debt or if they have concluded an agreement on paying the debt;
- compensation for the injuries incurred by the User owing to the illegality of the suspension (disconnection) request may only be claimed against the Supplier.

In the case of a disconnection notice, the Supplier notifies the User of disconnection and the accompanying interruption of services in a recorded delivery letter or by some other means that is suitable for verifying the User's receipt of the disconnection notice.

The Supplier must send the notice so that the User has time to prevent disconnection by performing its payment obligation or, if necessary, to preclude any damage on its premises that might be caused by the disconnection.

The Distribution System Operator will fulfill the request for suspension without in any way investigating the legality of the request to suspend the User. If the Distribution System Operator is not able to disconnect service within 30 days of receipt of the disconnection notice, it will inform the Supplier thereof. The Supplier is entitled on the basis of the notice to terminate the electricity purchase/sale contract immediately if the condition causing the breach of contract is not rectified. Once this has happened, the rules on consumption in the absence of a contract will apply to the User's consumption.

If the User pays all of its due debt, the default interest on it, the collection costs and the consumer service charges before service is disconnected in such a way that the User sends the document proving full payment of the debt to the facsimile (fax) number given in the disconnection notice by no later than 3 p.m. of the last working day before the first day of the disconnection period specified in the disconnection notice.

If disconnection has been initiated by the Supplier, the Distribution System Operator cannot reconnect the User unless the Supplier initiates it. The User may not conclude an electricity purchase/sale contract with another Supplier during the disconnection period.

According to the above, the Supplier may disconnect all of the User's Points of Use covered by the same electricity purchase/sale contract even if the User has only failed to pay the charges for some of the Points of Use.

6.7. Rules for reconnection, termination

If the user asks to have the point of consumption reconnected once the consumption meter has been removed, it will be necessary to proceed in the manner specified in the Distribution System Operator's business rules.

If the disconnected User pays the full amount of the debt and asks to be reconnected, the Supplier must initiate the User's reconnection to supply within 24 hours of learning that the debt has been paid.

When applying the above rules, the information about payment of the entire debt may be regarded as having come to the Supplier's attention if the User sends the document proving full payment of the debt to the facsimile (fax) number given in the disconnection notice.

Reconnection is not affected by the User's absence. Neither the Supplier nor the Distribution System Operator has to pay for any damage that might be incurred by the User because the User has not prepared its consumption equipment for reconnection.

7. DURATION AND TERMINATION OF THE CONTRACT

7.1. Life of the Contract

The Contract enters into force on the date and in the manner specified in the Contract provided that the User has met all of the conditions stipulated in Clause 1.

7.2. Termination of the Contract

If the User withdraws from the Contract after signing the Contract but before the User actually begins to consume electricity, the Supplier may, simultaneously with the announcement of withdrawal, bill the User for an amount corresponding to the contract price times the part of the minimum amount of electricity the User agreed to consume on the basis of the electricity purchase/sale contract that was not consumed owing to the breach of contract or, if no minimum amount of electricity has been specified in the User's contract, the fee specified in the Contract for the part of the contracted amount that has not been consumed, but the minimum charge is 30% of the fee specified in the Contract for the total contracted amount (as a forfeit).

7.3. Reasons for immediate termination of the Contract

7.3.1. Termination by the Supplier

Unless otherwise stipulated, the Supplier may initiate immediate termination of the Contract should any of the following events, with the exception of force majeure, occur:

- (i) the User's insolvency is established in a final order issued by the competent court and liquidation proceedings are begun against it, or the User's general meeting passes a resolution announcing termination without successor;
- (ii) the assignment of any of the User's rights and/or obligations specified in this Contract without the prior written consent of the Supplier;
- (iii) if immediate termination is specified as a legal consequence of the given breach of contract in the case of the User breaching the contract in the manner specified in Clause 6.1;

7.3.2. Termination by the User:

The User may initiate immediate termination of this Contract if any of the following events, with the

exception of force majeure, should occur:

- (i) the Supplier's authorization to perform the obligations specified in this Contract is nullified by a final decision issued by the competent authority while the Contract is still in force, and the Supplier has no legal successor that would be authorized to perform these obligations;
- (ii) the Supplier's insolvency is established in a final order issued by the competent court, or the Supplier's members meeting passes a resolution announcing dissolution without successor;
- (iii) if immediate termination is specified as a legal consequence of the given breach of contract in the case of the Supplier breaching the contract in the manner specified in Clause 6.2;

7.4. Termination of the Contract by mutual agreement

If the User wants to terminate its open-ended electricity purchase/sale contract with an annual effective date or its fixed-term contract with the Supplier before the fixed term of the Contract expires or before the effective date specified in the Contract – without providing a reason for such termination, the User may initiate the termination of the Contract by mutual agreement with the Supplier. If the Supplier agrees to terminate the Contract by mutual agreement, it is entitled to link the termination of the electricity purchase/sale contract by mutual agreement to the payment of a contract termination fee. The amount of the contract termination fee is equal to the contract price times the minimum amount of electricity the User agreed to consume on the basis of the Contract but did not consume prior to the termination of the Contract by mutual agreement. If the minimum amount of electricity has not been specified in the User's contract, the amount of the contract termination fee is equal to the part of the contracted amount not yet consumed times the contract price, with a minimum of 30% of the charge specified in the Contract for the total contracted amount.

8. RULES FOR SWITCHING SUPPLIERS

If the User concludes another supply contract with another supplier for purchasing electricity ("switching suppliers"), the new supplier must give a written report to the Distribution System Operator and the old supplier, providing them with the new supplier's data and the date on which the User will switch supplier.

9. MISCELLANEOUS PROVISIONS

9.1. Definitions

If no other meaning can be explicitly inferred from the context, the definitions used in this Contract have the meaning specified in the relevant legal regulations.

9.2. The Contract's annexes

The Contract's annexes constitute an inseparable part of the Contract, and any reference made to the Contract also pertains to the Contract's annexes.

9.3 Transferring rights and obligations

The User consents in advance, expressly and without any further conditions to the Supplier transferring – by issuing a unilateral written statement addressed to the User – the Contract and/or any right or obligation derived from the Contract to any Affiliated Company during the entire life of the Contract, provided that the Affiliated Company has an operating license issued by the Hungarian Energy and Public Utility Regulatory Authority. If the complete Contract is transferred without any change in content, the transferring Party is exempt from fulfilling its contractual obligations as of the time the transfer takes effect.

By signing the Electricity Purchase/Sale Contract, the User acknowledges that it has familiarized itself with this document and accepts them as a binding part of the Contract.

