

Code of Ethics of the Hungarian Petroleum Association

Introduction

The activities of firms producing processing and marketing crude oil and petroleum products stand in the focus of attention of business circles as well as of the general public. This requires increased care and responsibility taking of them, and demands absolute observance of both the written and the unwritten conventions of business life. Being aware of the above, the members of the Hungarian Petroleum Association, besides complying with the regulations of law, volunteer to act according to the rules formulated in this code of ethics and accept it as obligatory for them in the course of their business activities.

The order of ethics of the Hungarian Petroleum Association

1.

Members of the Hungarian Petroleum Association shall consider the laws and decrees of Hungary as regulatory elements that are suitable for bringing market economy into being. Equal competitive conditions and the purity of business morals can be ensured solely within the framework of legal regulation. Members of the Association shall observe Hungarian statutes, decrees and other legal rules fully and entirely and shall not display any activity that breaks them, goes contrary to them or is inconsistent with them.

2.

Member firms shall honor all kind of payments and obligations stipulated and regulated in statutes and decrees of taxation and customs fully and entirely, in due time and in the regulated manner. Furthermore they shall not knowingly encourage the avoidance of taxation and customs obligations by others.

3.

They shall keep records of all of their business activities, and shall fully and entirely observe the effective rules of registration and book keeping, with particular reference to keeping to their spirit. Beyond their internal controlling system they shall lend a hand to auditing the balance sheet, as well as the authorities' controls.

4.

In order to protect and even to impore the natural environment they shall take the environmental regulations in effect for minimal requirements, the observance of which is a fundamental obligation.

In order to reduce water, air, soil and noise pollution they shall strive for pursuing a practice that surpasses the statutory regulations and corresponds to the technical and economic features of the locality. They shall be instrumental in having the environmental legislation and regulations approach the accepted international practice and the European norms.

5.

The members undertake to ensure workplaces that are suitable for the prevention of accidents and meet the requirements of work safety. They shall create circumstances among with the customers' and third parties' safety and absolute protection is ensured throughout rendering services to them. In their relations with contractual partners they shall promote their partners' ability to create work safety of equal nature, and they shall make efforts to co-operate in the observance of work safety prescriptions as much as possible.

6.

They shall ensure that the quality of their products and services meet the requirements, including the Hungarian standards, correspond to the descriptions and specifications and they shall warrant the quality of their products. In conformity with the development of technological and environment protection regulations, they shall develop the quality of their services and products, and they shall present a united front against debasement of any reason and thereby defrauding the customers or inflicting losses them.

7.

They shall establish and operate their business activities on the basis of fair market competition and within a strict ethical framework. Each member shall have established an Ethic Policy which amongst other things, clearly defines their absolute opposition to the involvement of their staff or contractors in any form of dishonesty or corruption, including the offer of acceptance of gifts or money, whatsoever.

8.

As far as recruitment of staff is concerned the members should not approach directly and covertly specialized employees of other members in order to offer specific employment and thereby gain a distinct business advantage. They should use sound business practice in the consideration of employing staff previously dismissed from other member companies for breaching the rules of that organization. They should not knowingly employ anyone who has breached the companies Ethics Policy.

9.

They shall take the observance of disciplinary rules for a basic precondition of business life and shall fully meet the obligations undertaken.

10.

In their promotional activities and their advertisements or in the course of any kind of a social activity they shall not have recourse of any means that allows others to presume causing operating or trading loss by discrediting other competitors or rivals from the comparison of products, services or activities of any kind. The comparison of any products should not be directed at any one competitor solely and shall not be deemed to be deceptive if all conditions for an impartial and professional examination are given, if subject examinations are based on comparative data disclosed to the public and the public is being informed on the essential characteristics of products compared, about their price and the conditions under which such prices are being applied. But even comparison of the kind described above may be delusive, if parts of results so obtained are extracted from the context and quoted tendentiously.

11.

The members of the Hungarian Petroleum Association carry out their activities overtly, exposed to the

general public. They shall disclose and release to the public and to those interested any information that does not harm or injure their own or their contractual partner's business interests.