

Statutes of the Hungarian Petroleum Association*

1. Legal status

1.1. The Hungarian Petroleum Association (hereinafter: Association) is an independent trade organization of interest representation.

Name of the Association in Hungarian: Magyar Ásványolaj Szövetség

in English : Hungarian Petroleum Association

in German: Ungarischer Mineralöl Fachverband

in French: Association Hongroise du Pétrole

in Russian: Венгeрскeй Нефтьянож Сзожuz

1.2. The Association is a legal person.

1.3. Seat of the Association: 1027 Budapest, Csalogány u. 23-33. staircase C, 2nd floor, 206-207.

1.4. Seal of the Association: Hungarian Petroleum Association, Budapest

2. The target of the Association

2.1. To protect and promote the general interests and social reputation of oil industry and trade.

To achieve this aim the Association:

a) protects and promotes the ethical order of connections among entrepreneurs;

b) by operating various sections promotes the more effective professional work;

c) can perform the duties of conciliation of interests in questions touching the profession;

d) participates in the organization of the up to date training system of the various branches of oil industry and trade;

2.2. To conciliate and represent the professional and economic interests of the oil industry and trade.

2.3. To promote undertaking and trading based on the free competition.

2.4. To organize and initiate all kinds of development of domestic and foreign relations.

3. Tasks of the Association

The Association basically fulfils the tasks in harmony with its target, as follows, without demand for completeness:

- Taking into consideration its members' opinion the Association takes stand on professional, principal questions and in questions in connection with the representation of interests, maintains relations with the competent committees of the Parliament, with the ministries, various authorities, organizations and trade unions.
- Provides services to its members and to outsiders by giving professional information and consulting.
- The Association assists to deepen the members' relations on foreign markets by:
 - rendering an assistance to the members to develop their relations by sending and receiving professional delegations,
 - maintaining relations with foreign associations and representing its members in international associations.

4. Representation and conciliation of interests by the Association

4.1. It summarizes and represents the members' opinion on relevant economic and legal matters, fixing in written form at the same time the possible different opinions, too.

4.2. The Association follows the practical realization of legal rules relating to the oil industry and to specialized undertakings and initiates at the competent organizations the revision and modification of regulations, measures impeding the enforcement of the professional interests.

4.3. The Association deals with entrepreneur's behaviour differing from the generally approved market rules, therefore the Association establishes and operates a professional ethical committee.

4.4. The Association keeps its members informed about the long- and short-term general aims of economical developments, economic political plans and the main changes on foreign markets.

5. Membership of the Association

5.1. The Association is open to any specialized enterprise which is registered at the Court of Registration in Hungary, and has proper registration/license for its operation and acts in the petroleum industry as an entrepreneur, economic organization, institute, institution, federation or natural person. Any member of the Association has to accept the Statutes of the Association as binding upon himself and to undertake payment of the subscription, and besides complying with the conditions concerning the admission it has to have the following activity, activities or any of them:

- Under meaning of the uniform branch classification system for economic activities production of crude oil, delivery by pipeline or other transportation means, storage, processing of crude oil, recovery of liquified purge gases in processing of crude oil, retail and wholesale of fuels as well as design and realization of facilities of the petroleum industry.

5.2. A business association that pursues one of the above activities can be the member of the Association only if it pursues the above activity or activities not occasionally but as regular business. In case of fuel retail activity the member shall operate at least 10 filling stations under its own name.

5.3. The Presidium shall decide on the application for admission. The Presidium may refuse the applications for admission without offering an explanation. In case the Presidium refuses the application, then the applicant may lodge an appeal to the next General Meeting, in which case the General Meeting is entitled to supervise the decision of the Presidium.

5.4. The member joins the Association voluntarily by addressing a written statement to the Presidium.

5.5. The membership starts by the acceptance of the statement by the Presidium or by the acceptance by the General Meeting according to point 5.3.

5.6. The inside organization of the Association is open. The members may form sections, working committees and ad hoc committees inside the Association.

5.7. The members shall pay a yearly subscription to the banking account of the Hungarian Petroleum Association. The principles of fixing the subscription and its extent shall be determined by the General Meeting on the basis of the Presidium's proposal.

5.8. The Association will not perform a profit-orientated activity as business just exceptionally.

5.9. The membership will be ceased, in the following cases:

- a) the member informs the Presidium about his resignation in writing at any time if the subscription is already paid for the relevant year;
- b) exclusion of the member which can happen if the preconditions concerning the membership are not met.
- c) However, for the request of the member the Presidium may propose to the General Meeting to maintain the membership;
- d) the member does not comply with his obligations fixed in the Statutes (behaves in a way contrary to or in breach of the Statutes in consequence of which the Presidium proposes to exclude him). The decision of the General Meeting is required for any exclusion.
- e) termination of the member without legal successor/death of private person member;
- f) termination of the Association.

5.10. Rights of the members of the Association

The member of the Association has the right either personally or through his authorized representative:

- to attend the General Meeting;
when elected to undertake function in the bodies of the Association;
- to make a proposal for the convocation of the General Meeting and the meeting of the Presidium resp. for the agenda;
- to set proposals and initiations before the General Meeting and the Presidium;
- to take part in the discussion of proposals presented before the meetings and in decision making by right of voting;
- to initiate justified recall of the functionaries;
- to make use of the services and interest protection of the Association
- to indicate its membership in the Association on his own letter-paper.

5.11. Obligations of the member of the Association

The member is obliged

- to promote the aim of the Association and to take part in its work. The member undertakes to take part in supply of data for uniform and transparent statistics;
- to keep the Statutes of the Association and the adopted decisions;
- to put at the disposal of the Association information which is necessary for the Association's work and do not breach any provision of competition law or any confidentiality obligation connected to business secrets;
- to observe the ethical norms determined by the Association and to strengthen the cooperation bearing in mind the interests of the members;
- to pay the annual subscription.

6. Organization of the Association

The bodies and the functionaries of the Association are the following: General Meeting, Presidium, President, Honorary President, Secretary-general and Auditor.

6.1. General meeting

6.1.1 The main body of the Association is the General Meeting, which consists of all members of the Association. The General Meeting shall be convoked at least once a year or when it is required or when one-fifth of the members ask for the convocation.

6.1.2. The members have to receive the invitation for the General Meeting and the agenda in writing, within min. 14 days before the General Meeting.

6.1.3. The General Meeting may make an effective decision on questions only, which are fixed in the agenda. Any member is entitled, however, to ask for discussion of a point of agenda if he informs the members on it at least three days prior to the General Meeting, in which case the General Meeting is obliged to discuss the proposed point of agenda. A member is entitled to propose discussion of a new point of agenda in the course of the

General Meeting but in that case he needs univocal consent of all members present at the General Meeting.

6.1.4. At the General Meeting of the Association that member can not participate in passing of a resolution whose legal representative or representative acting at the General Meeting or their close relative or partner in life (hereinafter: relative) is released from any obligation or responsibility or gets any advantage on the basis of the resolution or is otherwise interested in the legal transaction to be concluded. The following are not qualified as advantage in this context: the non-cash targeted benefits that are available for anybody in harmony with the aims of the Association, or the targeted benefits provided by the Association to a member on the basis of membership in line with the Statutes. The above provisions shall be applied for the resolutions of the Presidium accordingly for the President and other members of the Presidium.

6.1.5. The scope of activity of the General Meeting covers the following;

- determination and modification of the Statutes;
- approval of the Association's union/disunion with/from other organizations,
- approval of the organizational and operational statutes of the Association,
- approval of the budget of the Association,
- discussion and acceptance of the annual report of the Association,
- election of the Presidium and the President for a three-year-period by secret ballot
- determination of the basis, extent of the subscription fee and date of its payment,
- questions, referred to the competency of the General Meeting by the Presidium or by the two-thirds part of the members,
- decision on the termination of the Association or on the utilization of its property.

6.1.6. The General Meeting has a quorum if at least half of the members are present. The General Meeting shall adopt its decisions - by open vote - by a simple majority with the exception of cases defined in point 6.1.5 f). In case of a tie vote the President's vote shall be decisive. In case the General Meeting does not have a quorum, the General Meeting convoked within 60 days with the same agenda shall be capable of making a decision irrespective of the number of the members present. The invitation shall contain the date of the repeated General Meeting, consequence of a possible non-quorum.

6.1.7. A two-thirds majority of the General Meeting is required to pass resolutions indicated in points 6.1.5. a), g), i).

6.1.8. The Presidium shall convoke the General Meeting and the Extraordinary General Meeting and they will be conducted by the President or on behalf of the President by the Vice-president.

6.1.9. For the convocation of the Extraordinary General Meeting a proposal of min. 1/5 of the members is required and the General Meeting must be held within 30 days upon receipt of the proposal.

6.1.10. Each member has one vote at the General Meeting. The right of vote is exercised by the authorized representative of the member. The authorization shall be prepared in the form of a private document with full probative force.

6.1.11. Minutes shall be taken at the General Meeting which contains the place, date and agenda of the General Meeting, the essence of important comments, ratio of votes as well as the decisions of the General Meeting. Any extraordinary event must be fixed in the minutes. The minutes shall be signed by the President and two members asked for verification. The Secretary-general sends one copy of the minutes to each member within 15 days after the General Meeting. The Secretary-general of the Association is obliged to introduce the decisions passed by the General Meeting into the Book of Decisions. The Book of Decision contains the decisions in a way that the contents, date and effect of the decisions of the General Meeting and the ratio (if possible the person) of supporting and objecting members shall be apparent.

6.2. Presidium of the Association

6.2.1. The Presidium of the Association consists of 5 members. The President of the Association, as well as the member of the Presidium can be only such full age Hungarian citizen, or foreign citizen settled in Hungary or having residence permit to Hungary, who does not stand on injunction from public affairs. A member of the Presidium can be only a chief executive officer of a member company (as defined in the Hungarian Companies Act, i.e. act IV. of year 2006 on business associations) or an employee assigned by the supreme body of a member. If the chief executive officer position or the employment of a member of the Presidium is terminated, he is obliged to offer the General Meeting his resignation within thirty (30) days. The General Meeting decides on the acceptance of the resignation.

6.2.2. The members of the Presidium of the Association are the following:

- a) the President elected by the General Meeting, and the four members of the Presidium elected by the General Meeting. The members of the Presidium elect the two Vice-Presidents among themselves.
- b) the Presidents of the Sections (if any) shall participate in the meetings of the Presidium as permanent guests.
- c) the Honorary President, if such one was elected by the General Meeting, may participate at the meeting of the Presidium as a permanent guest.

6.2.3. The tasks of the Presidium of the Association are the following:

- a) to supervise the activity of the Association in the period between two General

Meetings,

b) to draw up the annual budget of the Association and to set it before the General Meeting,

c) to exercise the employer's right over the Secretary-general.

6.2.4. The Presidium is elected for a 3-year period. The appointment of a member of the Presidium is terminated by expiration of the period fixed in this point, by revocation of the member of the Presidium, by resignation or by death of the member of the Presidium. In order to elect a new member to the Presidium the General Meeting shall be convoked for a date not later than the 30th day after the end of the appointment of the member of the Presidium. The appointment of the member of the Presidium elected in the meantime shall last until the same date as the appointment of the members of the Presidium already in charge.

6.2.5. The meeting of the Presidium of the Association is convoked by the President in written form and with indication of the points of agenda. The invitation shall be sent to the members within 15 calendar days prior to the meeting. The Presidium may invite to its meetings for the discussion of certain items of the agenda also the representatives of the members, the specialist of the competent supreme authorities or other organizations with a right of consultation. The member is entitled to propose discussion of a new point of agenda also at the meeting of the Presidium, but the unanimous approval of the other members being present at the meeting is required for that. Minutes shall be drawn up at the meeting with the same content as fixed in point 6.1.11. and it shall be signed by the Secretary-general and a member of the Presidium.

6.2.6. The Presidium of the Association holds a meeting when it is required but at least once in each quarter.

6.2.7. Each member of the Presidium has one vote. The Presidium has a quorum if at least three of its five members, having right of vote are present. President(s) of Section(s) as well as the Honorary President have no voting right. Member of the Presidium can be represented by delegate.

6.2.8. The Presidium passes its resolutions by majority of votes of those present. In the case of equality of votes the vote of the President is decisive.

6.3. The President of the Association

6.3.1. The President is elected by the General Meeting from amongst the members of the Association for 3 years by simple majority of votes. The President is the chief executive officer of the Association, who is entitled to represent the organization of the Association independently. The President of the Association can only be a chief executive officer of a member of the Association (as defined in the Hungarian Companies Act, i.e. act IV of year 2006 on business associations) or a member proposed for this position by the management of a member of the Association (as defined in section 21 of the act IV of year of 2006 on business associations). The

President can be re-elected. The General Meeting has the right to recall the President at any time.

6.3.2. It is the President's task to supervise the work of the Presidium.

6.3.3. The President's authority is fixed in the Organizational and Operational Statutes of the Association.

6.4. The Secretary-general of the Association

6.4.1. Any person, who is independent of the management of all companies belonging to the Association may be nominated to Secretary-general of the Association, by competition.

6.4.2. The Secretary-general shall be appointed by the Presidium for a period of 3 years. This period can be extended. The employer's rights shall be exercised by the Presidium.

6.4.3. The Secretary-general shall perform his tasks on the basis of the decisions of the General Meeting and the Presidium and under the President's direction. The Secretary-general's task shall be fixed in details in the Organizational and Operational Statutes of the Association.

6.5. The Auditor

The General Meeting elects an Auditor (who shall be independent from the members) for 3 years on the basis of the proposal of the Presidium to supervise the financial affairs of the Association.

6.6. Honorary President

6.6.1. Honorary President can be that well-known private person with appropriate professional respect who can help the work of the Association with his professional knowledge and repute.

6.6.2. For the election of the Honorary President the rules concerning the President shall be applied accordingly.

7. Administration of the Association

For the fulfilment of its tasks the Association has its own administrative organization (Office, Secretariat), under the direct supervision of the Secretary-general.

The Organizational and Operational Statutes of the Office shall be approved by the Presidium.

8. Representation of the Association

8.1. The Association can be represented by the President independently or by the two Vice-Presidents jointly. The Secretary General may represent the Association in certain

matters for which he received authorization from the Presidium or the General Meeting. If the Association gets interest in a company, the Association will be represented in the general meeting of the company by a person authorized by the Presidium of the Association.

8.2. Beyond the above the representation of the Association in any forum may be performed on the basis of an occasional mandate given by the Presidium.

8.3. The Association maintains direct connections with the competent ministries, supreme authorities, organs with a competency for the whole country and other organizations through its Presidium in its own name.

9. Management of the Association

9.1. The Association shall cover its expenses from the subscriptions and other incomes in accordance with the regulations concerning the social organizations. The way of payment of the subscription is defined by the General Meeting. The Presidium keeps registration concerning the payment of the subscription connected to the registration of the members.

9.2. The members of the Association shall pay an entrance fee fixed by the General Meeting beside the annual subscription fee determined in the Statutes. The entrance fees make possible the undisturbed start of the operation of the Association and the set up of the Office (Secretariat).

9.3. The Presidium shall decide on the expenses incurring over and above the continuously arising costs of the Office (Secretariat).

9.4. The Association manages its own assets and shall be responsible for its obligations with its own property. The members shall not be held liable for the obligations of the Association with their own property above the payment of the subscription.

9.5. The result reached by the management of the Association will not be divided, it will be used for activities defined by the Statutes. The Association does not perform businesslike investment activity.

10. Termination of the Association

10.1. The Association may be terminated, if the General Meeting decides on its termination with unanimous decision.

10.2. The decision on termination shall regulate the utilization of property of the Association in a way that the complete property at the time of the decision on termination must be divided among the members in the ratio of their payments of subscription. The property due to the member in money or in kind must be paid out or given to the member in 30 calendar days after the date of the decision on termination.

Should the Association show a deficit and has no property at the time of termination, the members shall not be obliged for supplementary payment.

11. Closing provisions

The Code of Ethics of the Association forms an integral part of the Statutes.

The Statute of the Association was approved by the General Meeting on 13th December, 1991.

The Statutes were modified by the decision of the General Meeting on 15th, June, 2011.

The Statutes is in force in the uniform structure containing the modifications.

All questions not provided by the present Statutes shall be governed by the provisions of the Civil Code and of the Act II of 1989.

***The Statutes are prepared in Hungarian and English language; in the case of any difference between the two versions the Hungarian one is authoritative.**