



NOTICE ON THE CONDITIONS OF CONDITIONAL EURO SALE TRANSACTIONS RELATED TO ENERGY IMPORT COVERAGE

Description of the transaction

With a view to satisfying the foreign currency funding requirement related to energy imports, the Magyar Nemzeti Bank (hereinafter: MNB) is concluding conditional EUR/HUF spot and EUR/HUF forward foreign exchange transactions (hereinafter: transaction) from 16 March 2026. The purpose of the transaction is to ensure that foreign exchange market transactions related to energy imports occur in an orderly manner, preserving the stability of the financial system and without exerting a material impact on forint exchange rate developments.

Conditions of use

The transaction may be concluded by domestic credit institutions which have direct VIBER (RTGS) membership and are subject to reserve requirements by sending to the MNB 3 working days prior to the transaction a declaration (hereinafter: declaration) that has been signed by the authorised signatory of a non-financial corporation specified in Annex 2 to MNB Decree 54/2021 (XI. 23) on reporting obligations, said corporation having a net import balance resulting from trading with foreign entities in excess of HUF 40 billion in 2025 in the markets of the following commodities: crude oil, oil products and oil derivatives, natural and artificial gas, electricity¹ and nuclear material² (hereinafter: Energy Importer Company).

The declaration shall state that the Money Market Counterparty has an agreement with the Energy Importer Company (hereinafter: FX funding relationship), based on which (i) the Money Market Counterparty provides the Energy Importer Company with the foreign currency consideration for the energy products imported by the Energy Importer Company; and (ii) the Energy Importer Company has or may have an outstanding foreign exchange receivable from the Money Market Counterparty.

The declaration shall specify the amount of euros requested.

Money Market Counterparties may forward the declaration to the MNB either on paper or in the form of an electronic document.

Electronic declarations shall be signed by the Energy Importer Company's authorised signatory using a qualified electronic signature or enhanced security electronic signature based on a qualified certificate, which the Money Market Counterparty shall send to the MNB via an encrypted channel (TLS) to the jegybankieszköztar@mnk.hu email address. Electronic signatures shall only be accepted from an authorised signatory representing an Energy Importer Company whose electronic specimen signature certificate is included in the trade register.

¹ Energy products under KN codes 27070010-27160000 defined in Annex 1 to Council Regulation No 2658/87/EEC of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff.

² Nuclear material under point 4 of Article 2 of Act CXVI of 1996 on Atomic Energy, particularly the products under 284410-284430.

The Money Market Counterparty shall forward paper-based declarations to the postal address of Magyar Nemzeti Bank, 1850 Budapest, addressed to the Directorate Financial Stability and Monetary Policy Instruments, and shall duly confirm the authorisation of the signatories (with an original specimen signature or a notarised specimen signature). If the Money Market Counterparty submits the declaration on paper, a scanned version of such shall be also sent to the jegybankieszköztar@mnb.hu email address.

The MNB shall determine the estimated facility amount applicable to the respective Money Market Counterparty in euros (hereinafter: estimated facility amount), based on the contents of the declaration and other available data, and in consultation with the respective Money Market Counterparty, and shall notify the Money Market Counterparty of estimated facility amount within 3 working days from receipt of the declaration.

Concluding the transaction

Following notification of the estimated facility amount, the Money Market Counterparty is entitled to make the first request for a quote related to the estimated facility amount. The MNB undertakes to provide a quote for the transaction – indicating the spot or forward exchange rate – as soon as possible, but no later than within 15 minutes after receiving a request for a quote during business hours, on working days between 9 a.m. and 4 p.m. The Money Market Counterparty shall notify the MNB on the acceptance of the quote as soon as possible, but within 15 minutes, at the latest.

The total amount of requests for quotes submitted by the Money Market Counterparty for the purpose of concluding transactions shall not exceed the estimated facility amount. The MNB shall provide a quote up to the amount of the estimated facility amount, less the euro amount already provided to the Money Market Counterparty based on its transactions concluded pursuant to this Notice (hereinafter: limit). The MNB undertakes to inform to Money Market Counterparty, upon its request, on the current limit amount on the next business day after such a request, at the latest.

If the Money Market Counterparty has a FX funding relationship with several Energy Importer Companies and wishes to conclude transactions for the same value date in respect of several Energy Importer Companies, it shall submit an individual request for a quote to the MNB in respect of each Energy Importer Company.

Settlement of the transaction

On the transaction settlement date, the Money Market Counterparty shall ensure that the amount corresponding to its payment obligation to be fulfilled in forints based on the transaction is available on its forint-denominated bank account held with the MNB.

Based on the transaction, the MNB shall pay the foreign currency at the choice of the Money Market Counterparty as indicated in its request for a quote:

- a) to the account specified by the Money Market Counterparty upon concluding the transaction, indicating the account-keeping institution and the account number; or
- b) based on the Standard Settlement Instructions applicable to spot foreign currency/forint conversions.

The MNB applies the Payment-after-Payment (PaP) principle to the transaction, meaning that the MNB satisfies its payment obligations stemming from the transaction only after the Money Market Counterparty's fulfilment of its payment obligation.

Margin account connected to forward contracts

The MNB maintains a margin account for the Money Market Counterparty, on which it performs a daily revaluation of all of the Money Market Counterparty's forward (EUR/HUF forward FX) transactions specified in this Notice.

The balance of the Money Market Counterparty's margin account shall correspond to the difference between the MNB's outstanding forint receivable and 96 percent of the euro liability following the transaction date. The amount of each receivable and liability shall be determined by charging the accrued interest calculated for the amounts specified

on the transaction date. The euro amount is converted to forints at the MNB's official EUR/HUF exchange rate on that date.

At each revaluation, the balance of the Money Market Counterparty's margin account shall correspond to the sum of the Money Market Counterparty's outstanding forint amount of its aggregate liabilities or receivables, taking the haircut into account, based on its individual transactions. If the balance of the Money Market Counterparty's margin account is lower than the required amount upon the daily revaluation, the MNB shall, simultaneously with notifying the Money Market Counterparty, debit the Money Market Counterparty's bank account held with the MNB with the amount needed to achieve the required coverage level and transfer the amount to the Money Market Counterparty's margin account. If, upon daily revaluation, the balance of the margin account is higher than the required amount, the MNB shall transfer the surplus amount from the Money Market Counterparty's margin account to bank account held with the MNB. The MNB shall pay interest on the positive balance on the Money Market Counterparty's margin account at the prevailing central bank base rate, crediting such interest to the Money Market Counterparty's bank account held with the MNB on the last working day of the month. The Money Market Counterparty shall pay interest to the MNB at the prevailing central bank base rate on the negative balance on the Money Market Counterparty's margin account, which the MNB shall debit to the Money Market Counterparty's bank account held with the MNB on the last working day of each month.

Purpose of the transaction and verification

By concluding the transaction, the Money Market Counterparty undertakes to provide the Energy Importer Company complying with the conditions stipulated by the MNB with the amount corresponding to the foreign currency purchased under the transaction by the end of the second business day at the latest in the case of spot transactions (T+2), while in the case of forward transactions, as agreed, but by 31 December 2027 at the latest, under the title of foreign currency sales/purchases (hereinafter: earmarked utilisation of foreign currency).

After concluding the transaction with the MNB, the Money Market Counterparty undertakes to notify the Energy Importer Company of the exchange rate and volume of the transaction concluded with the MNB by the end of the next business day at the latest.

The MNB reserves the right to verify the existence of the FX funding relationship, the fulfilment of the earmarked utilisation of foreign currency and compliance with the provisions of this Notice. The MNB shall verify the fulfilment of the earmarked utilisation of foreign currency in accordance with the provisions hereof based on the monthly data reporting. By submitting the request for a quote, the Money Market Counterparty undertakes that, from the date of concluding its first transaction until 1 month after the last foreign currency utilisation, it shall provide the MNB with monthly data reporting with the content specified in Table 1, sending such to the jegybankieszköztar@mnbb.hu email address.

The MNB permits the Money Market Counterparty to provide the data reporting in aggregate form together with the related companies belonging to its scope of clients or separately for each entity. The deadline for the fulfilment of the data reporting for the reference month shall be 12 p.m. on the 2nd working day of the month following the value date of the transaction concluded. Upon failure to fulfil the data supply, the MNB may bar the Money Market Counterparty from using the facility, and thus the Money Market Counterparty may not submit any further requests for quotes.

If, based on available data or publicly available information, the MNB deems it justified, it may call upon the Money Market Counterparty to verify compliance with the conditions specified in this Notice in respect of the transactions concluded. As part of such verification, the MNB may call upon the Money Market Counterparty to conclusively substantiate that the FX funding relationship exists and the transaction complies with the provisions hereof. If a legal declaration of the Energy Importer Company or a document possessed by the Energy Importer Company is necessary to verify compliance, it shall be the duty of the Money Market Counterparty to obtain such, except for documents containing information qualifying as trade secrets or classified information of the Energy Importer Company.

Legal consequences of failure to comply with the conditions

The MNB may withdraw from the transaction if, in the course of verification, it determines that the transaction did not comply with the provisions hereof in part or in full, particularly if the Money Market Counterparty was not eligible to utilise the transaction or failed to fulfil its obligation related to the earmarked utilisation of foreign currency. The MNB may exercise its right of withdrawal within 90 calendar days from the transaction date by declaration in any form addressed to the Money Market Counterparty. If the MNB exercises its right of withdrawal, the obligation to repay the forint and euro amounts settled based on the transaction but used improperly shall become due on the first working day after the communication of the declaration of withdrawal.

Upon non-fulfilment of the conditions of the earmarked utilisation of foreign currency specified in this Notice, the MNB may bar the Money Market Counterparty from utilising the transaction and also impose sanctions on the Money Market Counterparty. The basis of the sanction shall be determined as follows:

- a) if the Money Market Counterparty provides the Energy Importer Company with an amount lower than the foreign currency purchased under the transaction: the forint equivalent, calculated at the official EUR/HUF exchange rate quoted by the MNB, of the euro amount that the Money Market Counterparty failed to place at the Energy Importer Company's disposal;
- b) if the Money Market Counterparty fails to provide the Energy Importer Company with the foreign currency amount by the deadline specified in this Notice: the forint equivalent of the euro amount purchased under the transaction, calculated at the official EUR/HUF exchange rate quoted by the MNB.

The amount of the sanction shall be 25 percent of the basis of the sanction.

Upon applying the sanction, the MNB may consider the individual circumstances and the degree of the basis of the sanction. The MNB shall notify the Money Market Counterparty of the application of the sanction by email. The MNB shall determine the amount of the sanction using the official EUR/HUF exchange rate quoted by the MNB, prevailing on the day of notification. The payment obligation of the Money Market Counterparty shall become due on the first day following notification, as a result of which the MNB shall be entitled to debit the Money Market Counterparty's bank account with the amount of its receivable on the same day, by enforcing its right of security interest.

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| Transaction title | Conditional euro sale related to energy imports |
| Transaction type | Spot or forward |
| Time of request for quote | Working days between 9 a.m. to 4 p.m. |
| Content of request for quote | Amount, value date |
| Method of request for quote | In accordance with the Business Terms and Conditions, and via Bloomberg |
| Eligible counterparties | Resident credit institutions (subject to reserve requirements) which are direct member of VIBER and meet the conditions set out in this Notice |
| Initiator | Money market counterparty |
| Transaction limit | Limit |
| Minimum transaction size | EUR 5 million |
| Financial settlement / date of settlement | In the case of spot transactions: T+2 In the case of forward transactions: as agreed, but at the latest, until 31 December 2027, with the proviso that the settlement date may not be earlier than the second working day after the transaction date |

Any issues not regulated in this Notice shall be governed by the 'Terms and conditions of the operations of the central bank in forint and foreign currency markets'.

Budapest, 16 March 2026

MAGYAR NEMZETI BANK

Table 1: Content of data reporting

1. Transaction serial number
2. Money market counterparty GIRO code
3. Money market counterparty short name
4. Transaction date
5. Value date
6. Transaction type (spot/forward)
7. Amount sold to energy importer company
8. Currency of the amount sold
9. Forint amount purchased from energy importer company
10. Energy importing company name

SAMPLE

Declaration of the Energy Importer Company

With reference to the product information of the Magyar Nemzeti Bank entitled “NOTICE ON THE CONDITIONS OF CONDITIONAL EURO SALE TRANSACTIONS RELATED TO ENERGY IMPORT COVERAGE”, on behalf of [*name and company registration number of Energy Importer Company*], we hereby declare that the net import balance in 2025 of [*Energy Importer Company*] resulting from trading with foreign entities exceeded HUF 40 billion in the markets of the following commodities: crude oil, oil products and oil derivatives, natural and artificial gas, electricity, and nuclear material.

Furthermore, on behalf of [*Energy Importer Company*], we declare that under the agreement between [*name of credit institution*] concluded on (hereinafter: Agreement), on the day of the issuance of the present declaration, [*name of credit institution*] shall provide to [*Energy Importer Company*] the foreign exchange consideration for the energy products imported by [*Energy Importer Company*]. Thus, [*Energy Importer Company*] has or may have an outstanding foreign exchange receivable from [*name of credit institution*].

EUR is the estimated amount planned to be used in the legal relationship detailed above in regard to foreign exchange market transactions related to energy imports as defined in the Magyar Nemzeti Bank’s product information entitled “NOTICE ON THE CONDITIONS OF CONDITIONAL EURO SALE TRANSACTIONS RELATED TO ENERGY IMPORT COVERAGE”.

This declaration was issued for the purpose of being submitted to the Magyar Nemzeti Bank.

[*Authorised signature of the Energy Importer Company*]