

**Amendment No. 4**

**TO ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC) CONTRACT**

**relating to the**

**Construction of Paks II Nuclear Power Plant Units 5 and 6, Hungary  
dated December 2, 2020**

**between**

**Paks II. Nuclear Power Plant Company Ltd.**

**(formerly MVM Paks II.  
Nuclear Power Plant Development Private Limited Company)**

**and**

**Joint Stock Company ASE Engineering Company**

**(formerly Joint Stock Company Nizhny Novgorod Engineering Company “Atomenergoproekt”)**

This Amendment No. 4 ("**Amendment No. 4**") is entered into on December 2, 2020 in Budapest, Hungary.

## THE UNDERSIGNED


- (1) **Paks II. Nuclear Power Plant Ltd.** (formerly: MVM Paks II. Nuclear Power Plant Development Private Company Limited by Shares), a company duly incorporated under the laws of Hungary, with company registration number 17 10 001282, having its registered office at Gagarin Street 1, Paks, Hungary 7030 (the "**Owner**"), duly represented herein by Mr. István Lenkei (Chief Executive Officer), on the one hand; and
- (2) **Joint-Stock Company ASE Engineering Company** (JSC ASE EC) (formerly: Joint-Stock Company Nizhny Novgorod Engineering Company Atomenergoproekt (NIAEP JSC), a company duly incorporated under the laws of the Russian Federation, with company registration number 1075260029240, having its registered office at Ploshad Svobody 3, Nizhny Novgorod, Russia, 603006, the Russian Federation (the "**Contractor**"), duly represented herein by Mr. Khazin Alexander Borisovich, acting under power of attorney numbered 77/805-Н/77-2019-5-200 dated 01.02.2019, duly issued by the President of JSC ASE EC, on the other hand

(together the "**Parties**", and each individually, a "**Party**"),

hereby modify certain provisions of the EPC Contract (as defined in Recital (F) below), as follows:

## RECITALS

- A. On December 9, 2014, the Owner and the Contractor entered into the engineering, procurement and construction contract for the construction of Paks II Nuclear Power Plant Units 5 and 6 (for the purposes of the below paragraphs (B) through (E) the "**EPC Contract**").
- B. On June 29, 2015, the Parties made adjustments and added interpretations to the EPC Contract (the "**Addendum**").
- C. On December 22, 2017, the Parties amended the EPC Contract to adjust the Completion Dates, subject to the respective amendment of the Financial Intergovernmental Agreement (which amendment constituted the first amendment to the EPC Contract) (the "**Amendment**").
- D. On February 26, 2018, the Parties amended the EPC Contract to facilitate an earlier start of certain preliminary construction works in order to timely complete the construction works of Unit 5 and Unit 6 and made adjustments to the Table of Selected Technical Milestones of Table 2 of the Supplement to Appendix 3.2 Payment Schedule to the EPC Contract for the purpose of updating certain milestones during the Project Implementation (which amendment constituted the second amendment to the EPC Contract) ("**Amendment No. 1**").

- E. On July 31, 2019, the Parties agreed to amend certain terms of the EPC Contract in order to extend the Completion Dates under Clause 33.4 of the EPC Contract (which amendment constituted the third amendment to the EPC Contract) ("**Amendment No. 2**").
- F. On December 2, 2020, the Parties agreed to amend the dispute resolution and certain other contractual provisions of the EPC Contract (which amendment constituted the fourth amendment to the EPC Contract) ("**Amendment No. 3**"). (The EPC Contract, as amended by the Addendum, Amendment, Amendment No. 1, 2 and 3 to the EPC Contract, is hereinafter referred to as the "**EPC Contract**".)
- G. The Parties wish to revise Amendment No. 1, and amend certain terms of the EPC Contract, in the manner set forth in this Amendment No. 4 (with this Amendment No. 4 constituting the fifth amendment to the EPC Contract), in order to achieve a more efficient Project Implementation by providing for the possibility of an early start of certain site preparation works.
- H. 

## NOW THEREFORE IT IS AGREED AS FOLLOWS

### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Amendment No. 4, the capitalized terms used herein shall have the same meaning as set forth in the EPC Contract, unless defined herein or the context otherwise requires.
- 1.2 Any clause references used herein shall be interpreted as referring to the relevant clause in the EPC Contract. The expression "Article" used in Amendment No. 1. and 2. and the expression "Clause" used in the EPC Contract, in Amendment No. 3 and in this Amendment No. 4. shall have the same meaning.
- 1.3 Clause 2 (*Interpretation*), Clause 3 (*Notices and Language*), Clause 27 (*Governing Law*), Clause 28 (*Settlement of Claims, Disputes and Arbitration*) and Clause 30 (*Confidential Information*) of the EPC Contract shall apply and be incorporated by reference into this Amendment No. 4, as if fully set out in this Amendment No. 4, save that references in those Clauses to "this Contract" (or an equivalent or corresponding term) shall be construed as references to this Amendment No. 4, and otherwise *mutatis mutandis*.

### 2. AMENDMENT

The Parties agree that:

- (a) the term "Cut-off Wall Work" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:



*"Cut-off Wall Work" means the erection of a reinforced vertical underground structure constructed in situ around the main buildings and structures of Unit 5 and Unit 6, to serve as groundwater barriers during excavation activities of foundation pits and indicated in the Project Schedule (OTS) as "Cut-off wall of the facility".*

- (b) the term "Excavation of Pit Work" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:

*"Excavation of Pit Work" means the excavation of the foundation pits of Unit 5 and Unit 6 within the area surrounded by the cut-off wall to be built through completion of the Cut-Off Wall Work and indicated in the Project Schedule (OTS) as "Pit excavation down in Units 5,6 area".*

- (c) the term "Phase 1 Closing Date" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:

*"Phase 1 Closing Date" has the meaning given to it in Clause 8.2."*

- (d) the term "Preliminary Site Preparation Work" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:

*"Preliminary Site Preparation Work" means collectively the site ground works and site improvement works in the framework of the Project Implementation, including but not limited to the Cut-off Wall Work, Soil Improvement Work and the Excavation of Pit Work, which the Contractor is entitled to start and implement in Phase 1, in accordance with Clauses 6.2 and 8.1.8 of the Contract.*

- (e) the term "Soil Improvement Work" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:

*"Soil Improvement Work" means the implementation of engineering measures to protect the soil from liquefaction under seismic impact, to improve the load-bearing properties of the soil under the main buildings of Unit 5 and Unit 6; indicated in the Project Schedule (OTS) as "Ground base reinforcement works in Units 5,6 area".*

- (f) the term "Sub-Site 2" shall be deleted and replaced with the following, newly introduced sentence:

*"Sub-Site 2" means an area within the Site specifically designated for certain Preliminary Construction Works Table A and Preliminary Construction Works Table B, determined in Appendix 1.9 as the zone colored in light blue and indicated as Sub-Site 2.*

- (g) the term "Sub-Site 3" shall be deleted and replaced with the following, newly introduced sentence:

*"Sub-Site 3" means an area within the Site specifically designated for certain Preliminary Construction Works Table B, determined in Appendix 1.9 as the zone colored in red and indicated as Sub-Site 3.*



- (h) the term "Sub-Site 4" shall be inserted into the list of Definitions in Clause 1 of the EPC Contract as follows:

*"Sub-Site 4" means an area within the Site specifically designated for the Preliminary Site Preparation Work, determined in Appendix 1.9 as the zone colored in yellow and indicated as Sub-Site 4.*

- (i) the term "Sub-Sites" shall be deleted and replaced with the following, newly introduced sentence:

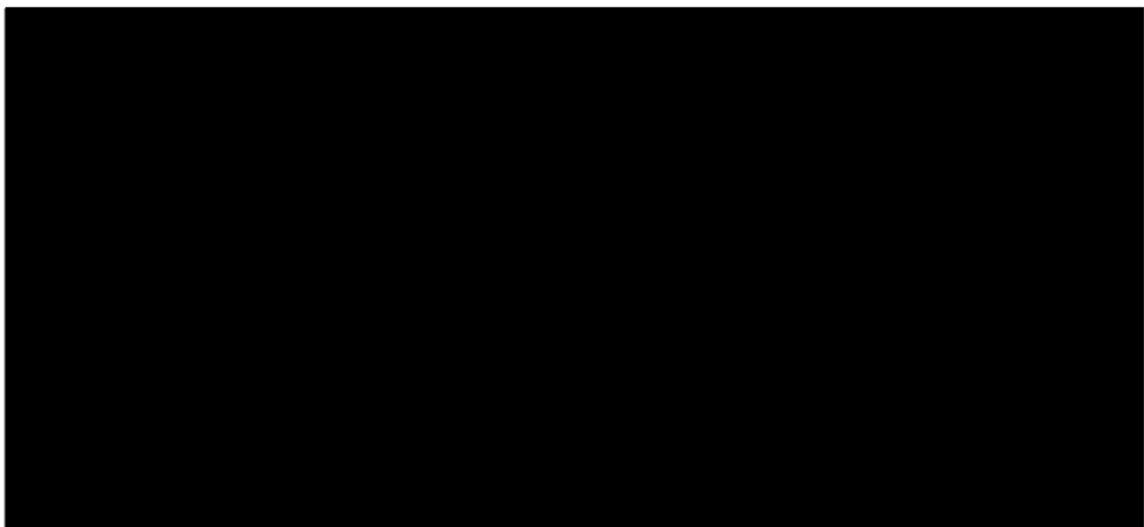
*"Sub-Sites" means collectively the Sub-Site 1, the Sub-Site 2, the Sub-Site 3 and the Sub-Site 4.*

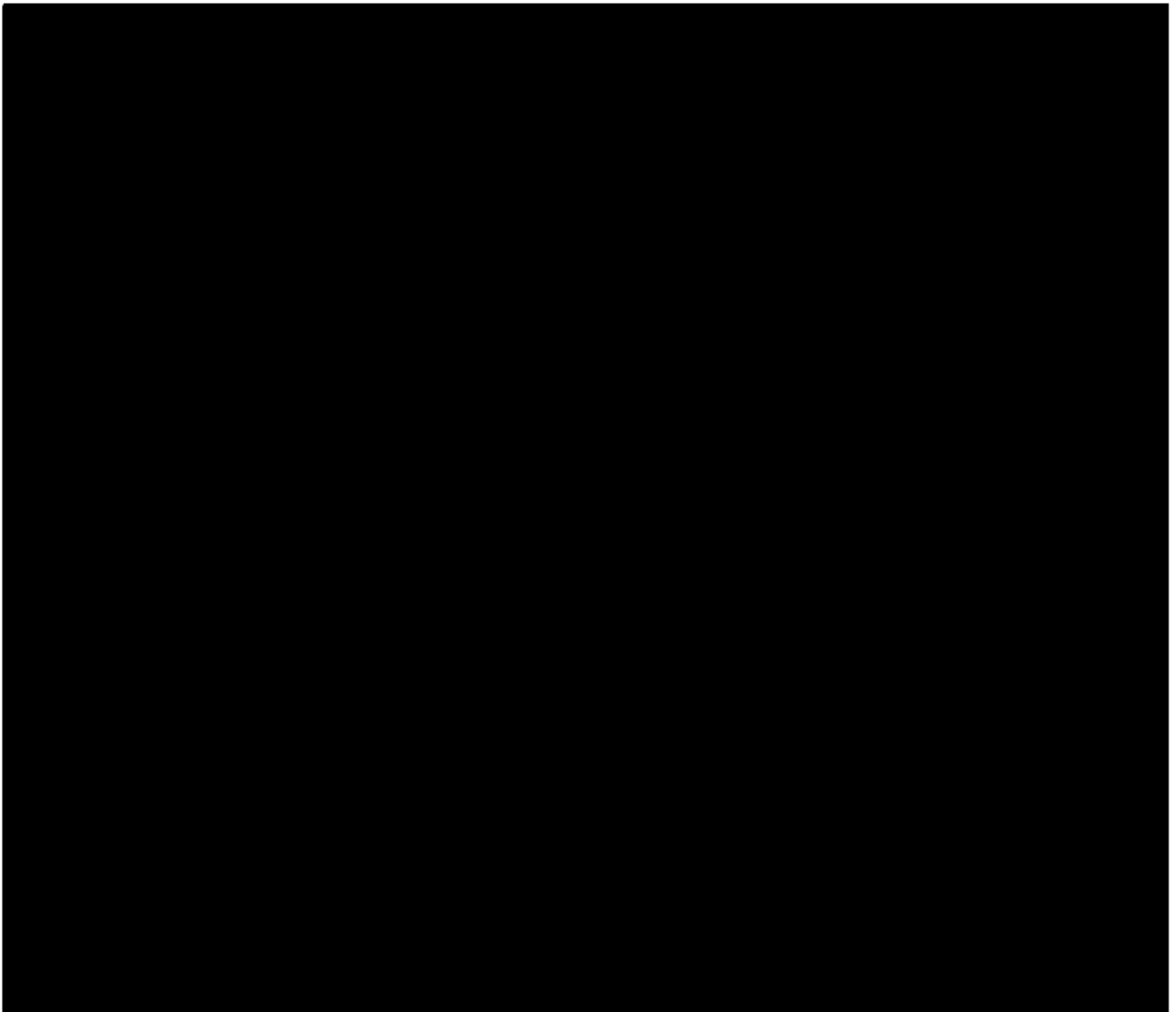
- (j) the fifth and sixth sections of Clause 6.2 of the EPC Contract shall be deleted and replaced with the following newly introduced sentences:

*"Following the submission of the nuclear facility implementation license application with the OAH, the Contractor may serve and deliver the Owner the Technical Documentation along with any other documents required to duly apply at OAH for the issuance of the construction permit(s) for the Preliminary Site Preparation Work or at any other Authority for any other Authority Approval required for the implementation of the Preliminary Site Preparation Work.*

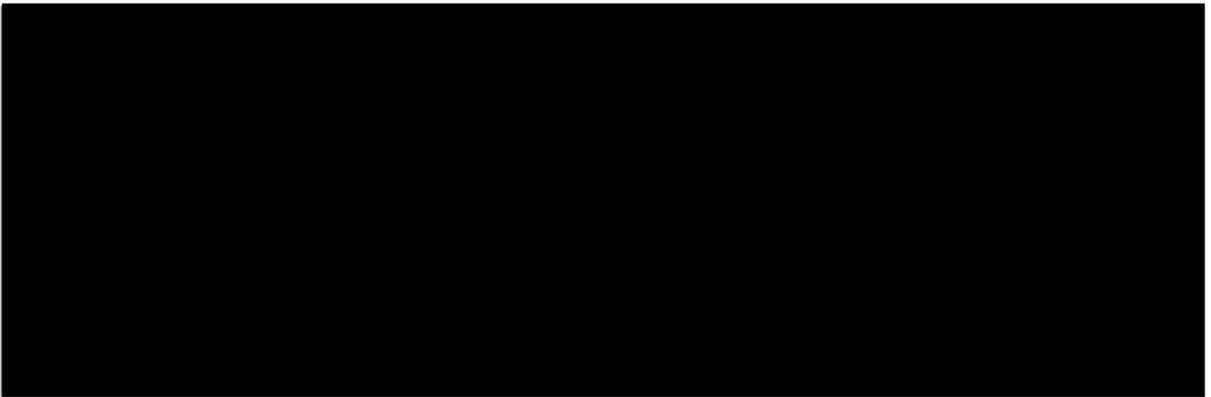
*If and when the construction permit(s) of the Preliminary Site Preparation Work (or if and when the very first from among the construction permits of the Preliminary Site Preparation Work activities) is(are) issued by OAH and it(they) become(s) final and binding, the Contractor may request the Owner to hand-over Sub-Site 4 to the Contractor before the Phase 2 Commencement Date within 10 (ten) Business Days following the date of receipt of such request, but in any event not earlier than on January 1, 2021. Upon receipt of such request, the Owner shall make due considerations whether it hands over Sub-Site 4 to the Contractor before the Phase 2 Commencement Date, but it shall not be obliged to do so. If the Owner concludes to hand over Sub-Site 4 to the Contractor before the Phase 2 Commencement Date, it shall do so for the sole purpose of continuing the Project Implementation with any items of the Preliminary Site Preparation Work."*

- (k)

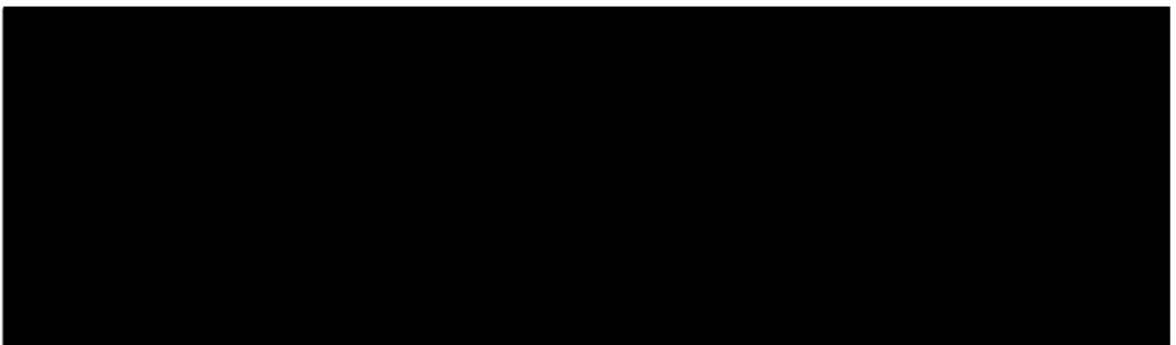




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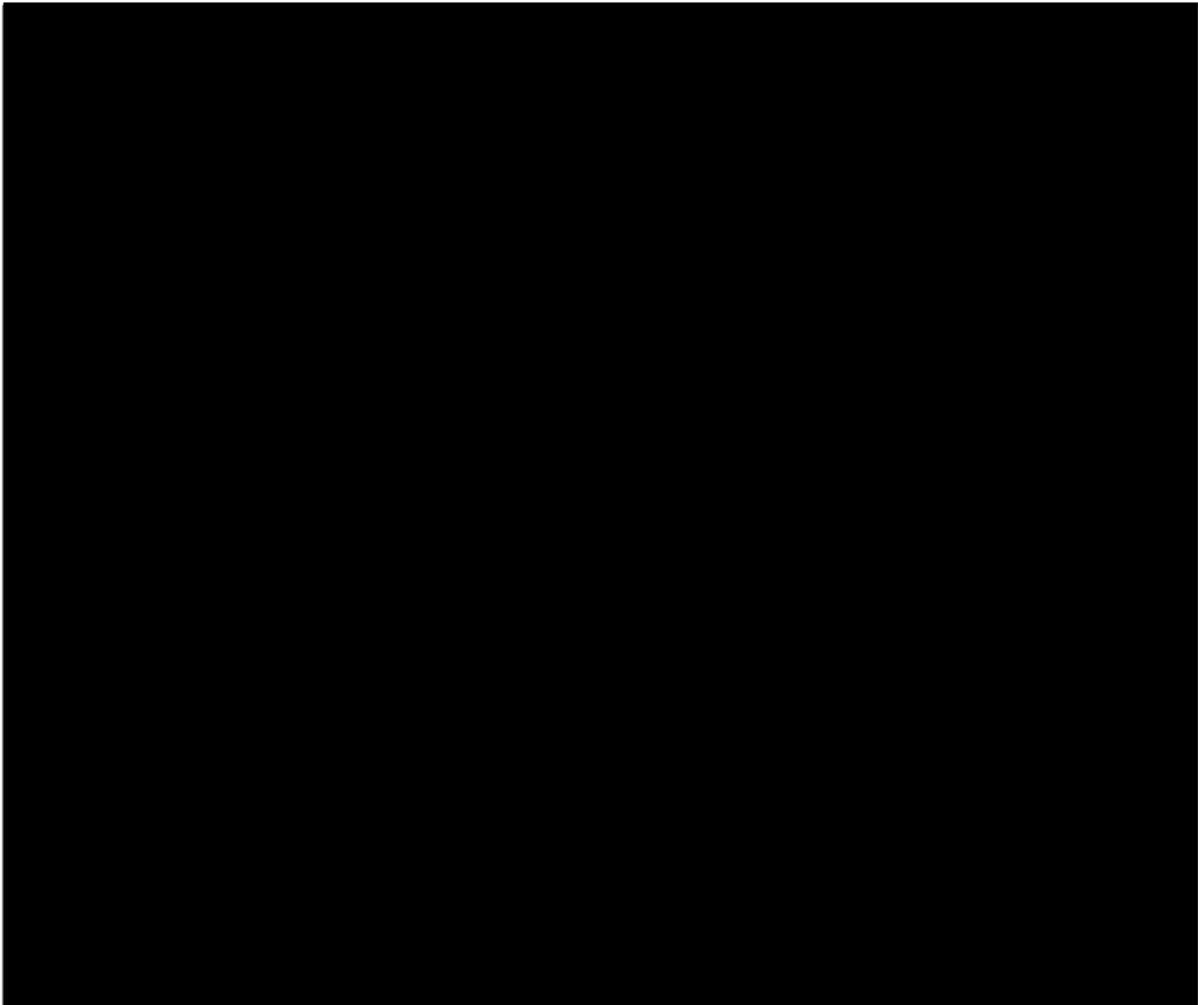



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- (n) Before the Contractor starts the implementation of either the Preliminary Construction Works Table B or the Preliminary Site Preparation Work in Phase 1, it shall, at its own cost, secure and maintain insurance coverage which properly covers the risks associated with the Preliminary Construction Works Table B or the Preliminary Site Preparation Work, in particular (i) construction/erection; (ii) marine cargo; (iii) Contractor's Equipment and Facility's risks; and (iv) any other insurance coverage reasonably required and approved by the Owner according to Clause 17 of the EPC Contract.
- (o) Appendix 1.22 "Preliminary Construction Works Table B" shall be deleted and replaced with a new Appendix 1.22 "Preliminary Construction Works Table B" in the form as set out in Schedule 2 to this Amendment No. 4.
- (p) In the event Sub-Site 4 is handed over to the Contractor in accordance with this Amendment No. 4 prior to the Phase 2 Commencement Date, Table 1 [REDACTED] of the Annex to Appendix 3.2 to the EPC Contract shall be deleted completely and replaced with revised Table 1 [REDACTED] as set out in Schedule 3 hereto.
- (q) In the event Sub-Site 4 is handed over to the Contractor in accordance with this Amendment No. 4 prior to the Phase 2 Commencement Date, Table 2 [REDACTED] of the Annex to Appendix 3.2 to the EPC Contract shall be amended in line with the [REDACTED] Table under Table 2 of the Annex to Appendix 3.2 "Payment Schedule" as set out in Schedule 4 hereto.
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### 3. AGREEMENT

3.1 The Parties hereby acknowledge and agree that:

- (a) the Owner shall act in good faith and use its respective reasonable endeavors to obtain the consent and/or approval (formal, informal or otherwise) of each of the European Commission's (i) Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW); (ii) Directorate-General for Energy (DG ENER); and (iii) Directorate-General for Competition (DG COMP) (collectively, the "**Commission**") to the terms of this Amendment No. 4 (the "**EC Consents**"), assuming the EC Consents are required by Applicable Law, and the Contractor shall, in good faith, provide all necessary support and cooperation as is reasonably requested by the Owner to obtain the EC Consents;
  - (b) the validity and effectiveness of Clause 2 of this Amendment No. 4 is conditional upon the Ministry of Finance of Hungary, Ministry of Finance of the Russian Federation and Ministry of Economic Development of the Russian Federation approving this Amendment No. 4 in compliance with Clause 38.8 of the EPC Contract, as well as Articles 8.4 and 9 of the Financial Intergovernmental Agreement; and
  - (c) notwithstanding paragraph (b) of this Clause 3.1, paragraphs (p) and (q) of Clause 2 of this Amendment No. 4 shall enter into effect on the date on which Sub-Site 4 is handed over to the Contractor prior to the Phase 2 Commencement Date in accordance with Clause 8.1.8.2 of the EPC Contract, as amended by this Amendment No. 4. If such date never occurs before the Phase 2 Commencement Date, then paragraphs (p) and (q) of Clause 2 of this Amendment No. 4 will never enter into effect.
- 3.2 Nothing in this Amendment No. 4 may be viewed or interpreted as an acknowledgment or acceptance by the Owner of any of the Contractor's Variation Claims. Any Variation Claims of the Contractor shall be addressed and adjudicated in accordance with the terms and conditions of the EPC Contract, if so initiated by either Party.

### 4. REPRESENTATION AND WARRANTIES

4.1 Representation and warranties of the Contractor

The Contractor represents and warrants to the Owner that:

- (a) it holds all requisite capacity, power and authority for the fulfillment of this Amendment No. 4 in accordance with the Applicable Laws;
- (b) the execution of this Amendment No. 4 by the Contractor: (i) has been authorized in accordance with internal procedures of the Contractor; (ii) without prejudice, does not cause a breach or default under any contracts, agreements, arrangements, regulations or orders binding on Contractor or that extend to its property or assets;
- (c) this Amendment No. 4 is the legal, valid and binding obligation of the Contractor in accordance with its terms and conditions, exclusions or

limitations set up by Russian mandatory legislative provisions of bankruptcy, creditor's rights, etc.;

- (d) the Contractor possesses, or will in time possess, the technical, management and financial capacities, and know-how and wherewithal to perform, direct and oversee the Project Implementation in compliance with this Amendment No. 4; and
- (e) Ministry of Finance of the Russian Federation and Ministry of Economic Development of the Russian Federation have approved this Amendment No. 4, in compliance with Clause 38.8 of the EPC Contract as well as Articles 8.4 and 9 of the Financial Intergovernmental Agreement.

#### 4.2 Representation and warranties of the Owner

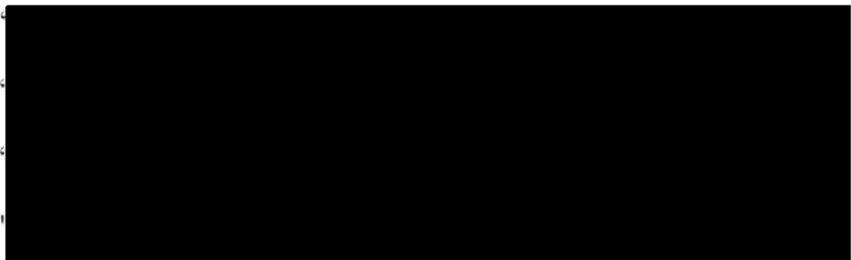
The Owner represents and warrants to the Contractor that:

- (a) it holds all requisite capacity, power and authority for the fulfillment of this Amendment No. 4 in accordance with the Applicable Laws;
- (b) the execution of this Amendment No. 4 by the Owner: (i) has been authorized in accordance with internal procedures of the Owner; (ii) without prejudice, does not cause a breach or default under any contracts, agreements, arrangements, regulations or orders binding on Owner or that extend to its property or assets;
- (c) this Amendment No. 4 is the legal, valid and binding obligation of the Owner in accordance with its terms and conditions, exclusions or limitations set up by Hungarian mandatory legislative provisions of bankruptcy, creditor's rights, etc.; and
- (d) Ministry of Finance of Hungary has approved this Amendment No. 4, in compliance with Clause 38.8 of the EPC Contract as well as Articles 8.4 and 9 of the Financial Intergovernmental Agreement.

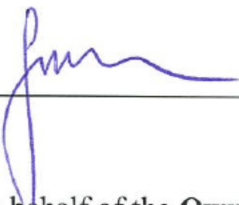
#### 5. MISCELLANEOUS


- 5.1 This Amendment No. 4 is limited as specified and shall not constitute a modification or waiver of any of the other provisions of the EPC Contract, each of which shall continue in full force and effect except as otherwise provided in this Amendment No. 4.
- 5.2 This Amendment No. 4 contains the whole agreement between the Parties relating to the subject matter of this Amendment No. 4 at the date of this Amendment No. 4 and supersedes any other previous written or oral agreement between the Parties in relation to the matters dealt with in this Amendment No. 4.
- 5.3 Unless otherwise specified in this Amendment No. 4, this Amendment No. 4 shall enter into force on the date on which it is duly signed by both Parties.
- 5.4 The following schedules form an integral part of this Amendment No. 4:

- (i) Schedule 1 -
- (ii) Schedule 2 -
- (iii) Schedule 3 -
- (iv) Schedule 4 -



5.5 This Amendment No. 4 is signed in 4 (four) original copies, 2 (two) for the Owner and 2 (two) for the Contractor.

  
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SIGNED:  
For and on behalf of the **Owner**

  
\_\_\_\_\_  
SIGNED:  
For and on behalf of the **Contractor**

  
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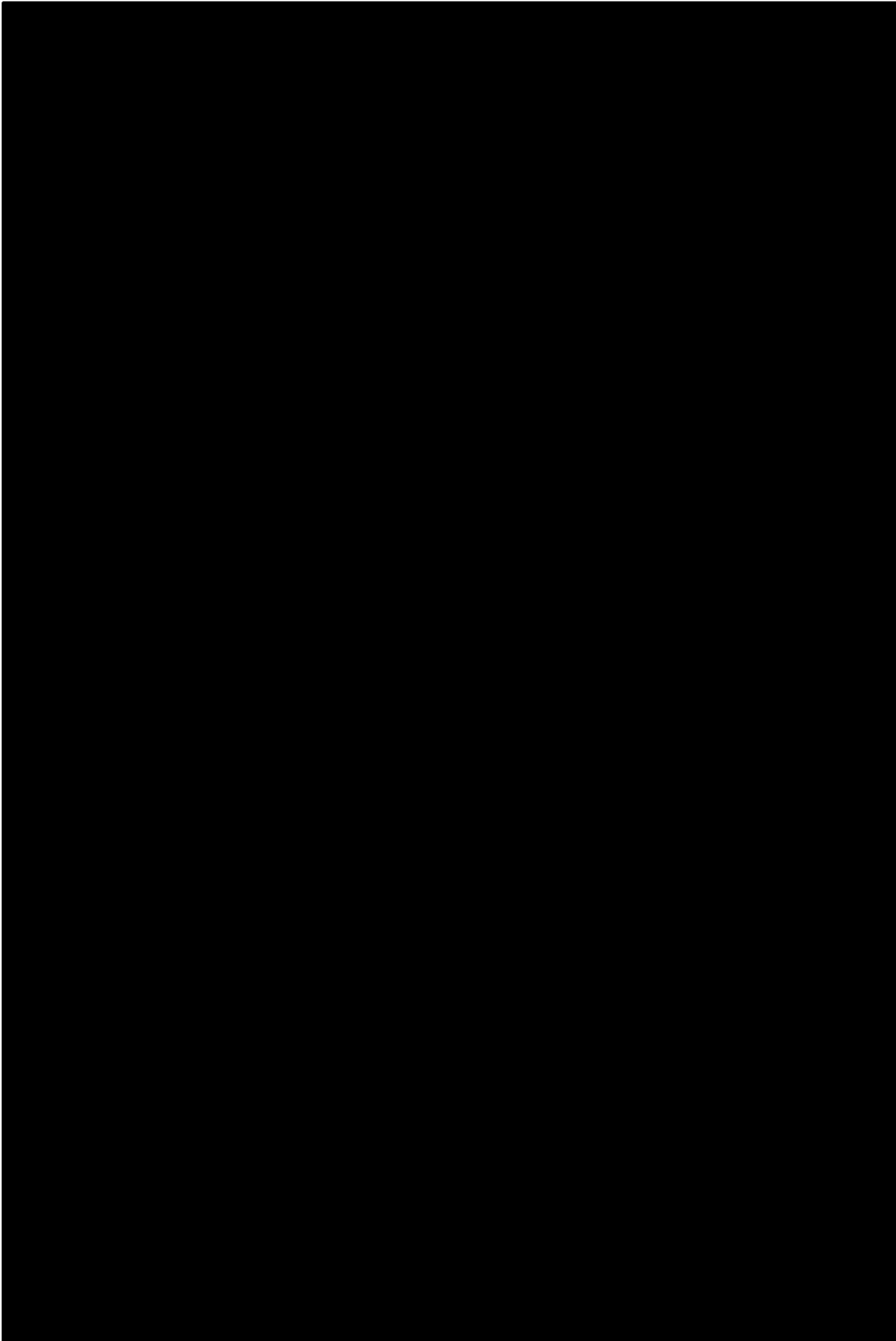


SCHEDULE 1



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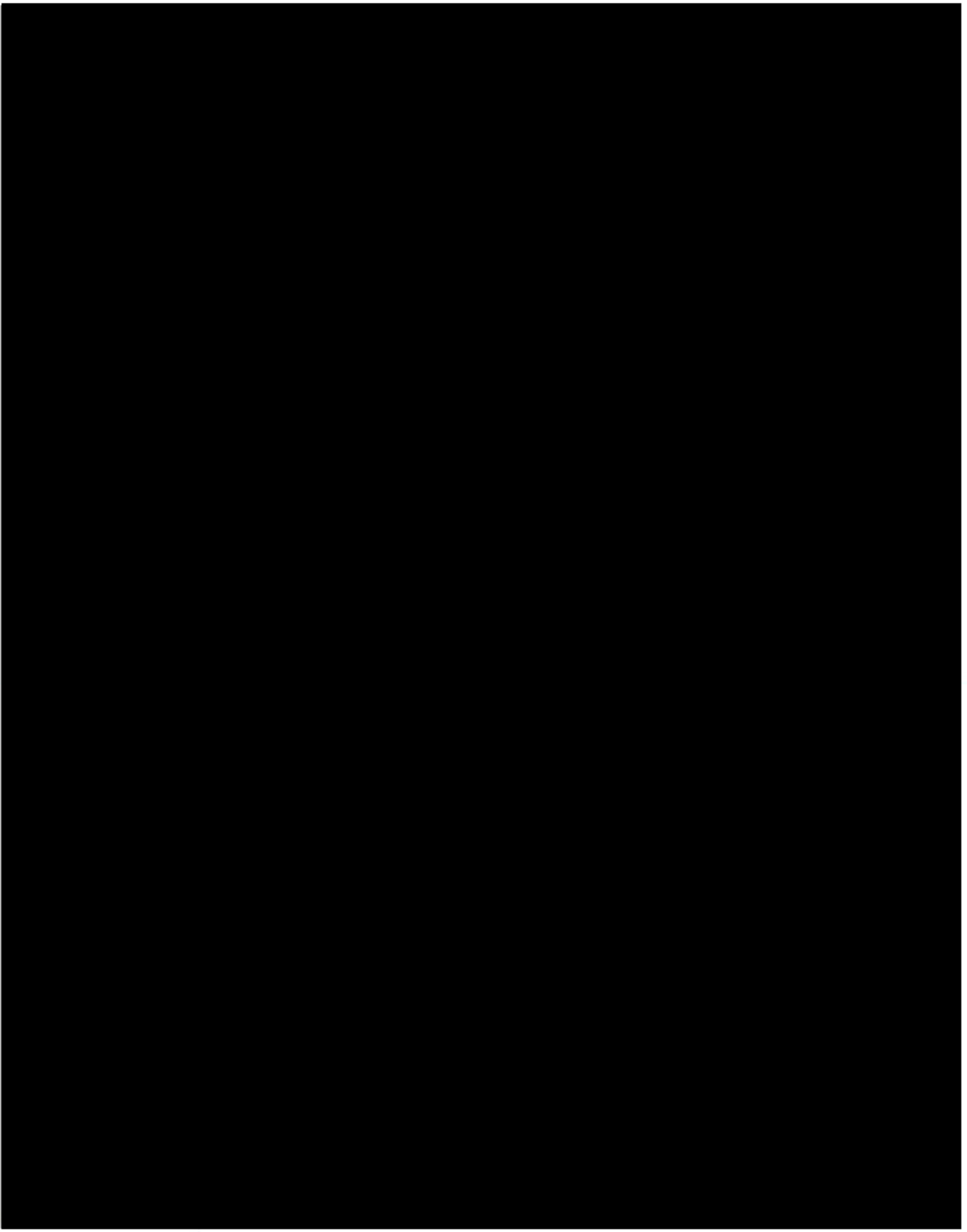


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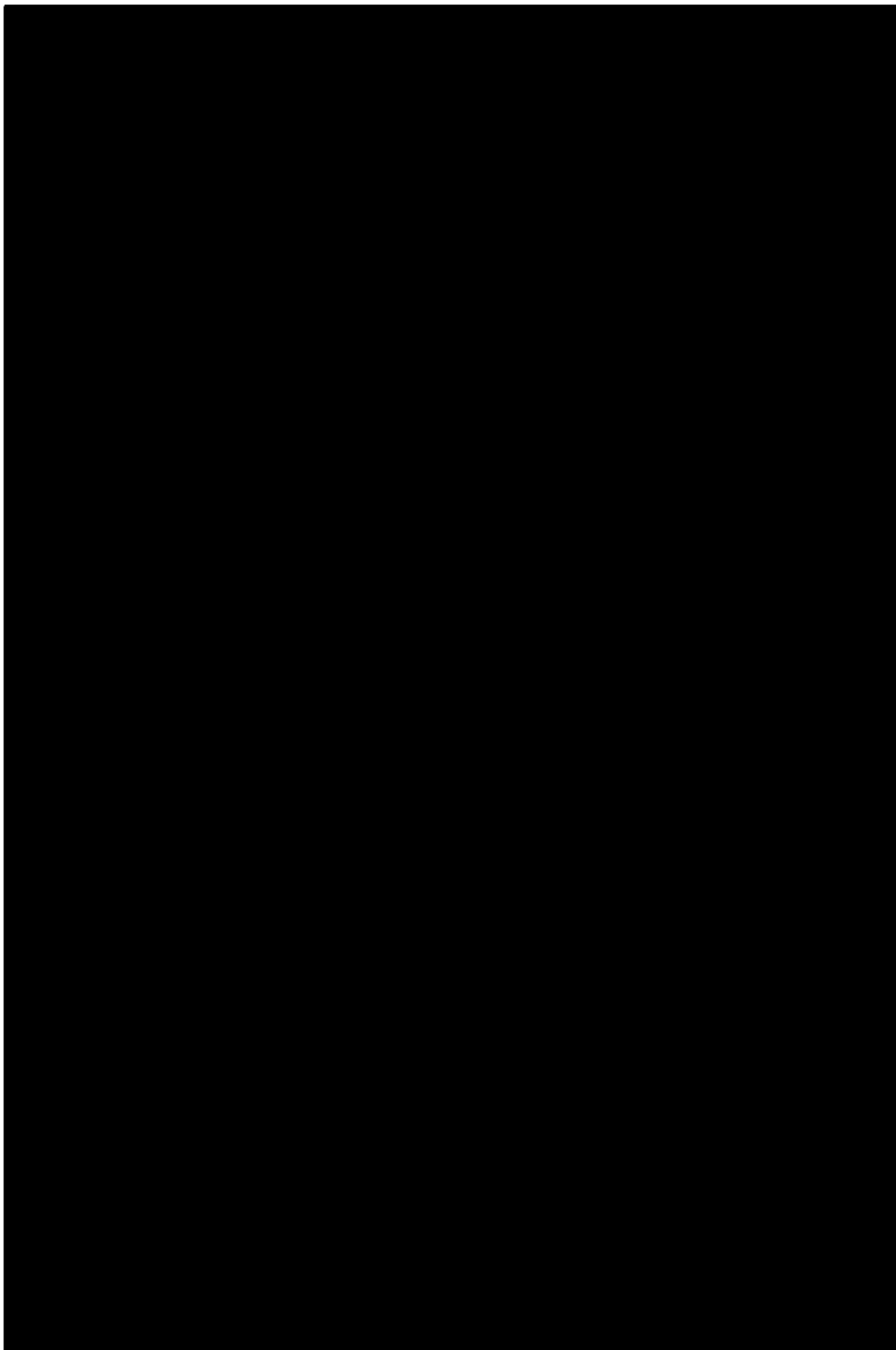
**SCHEDULE 2**



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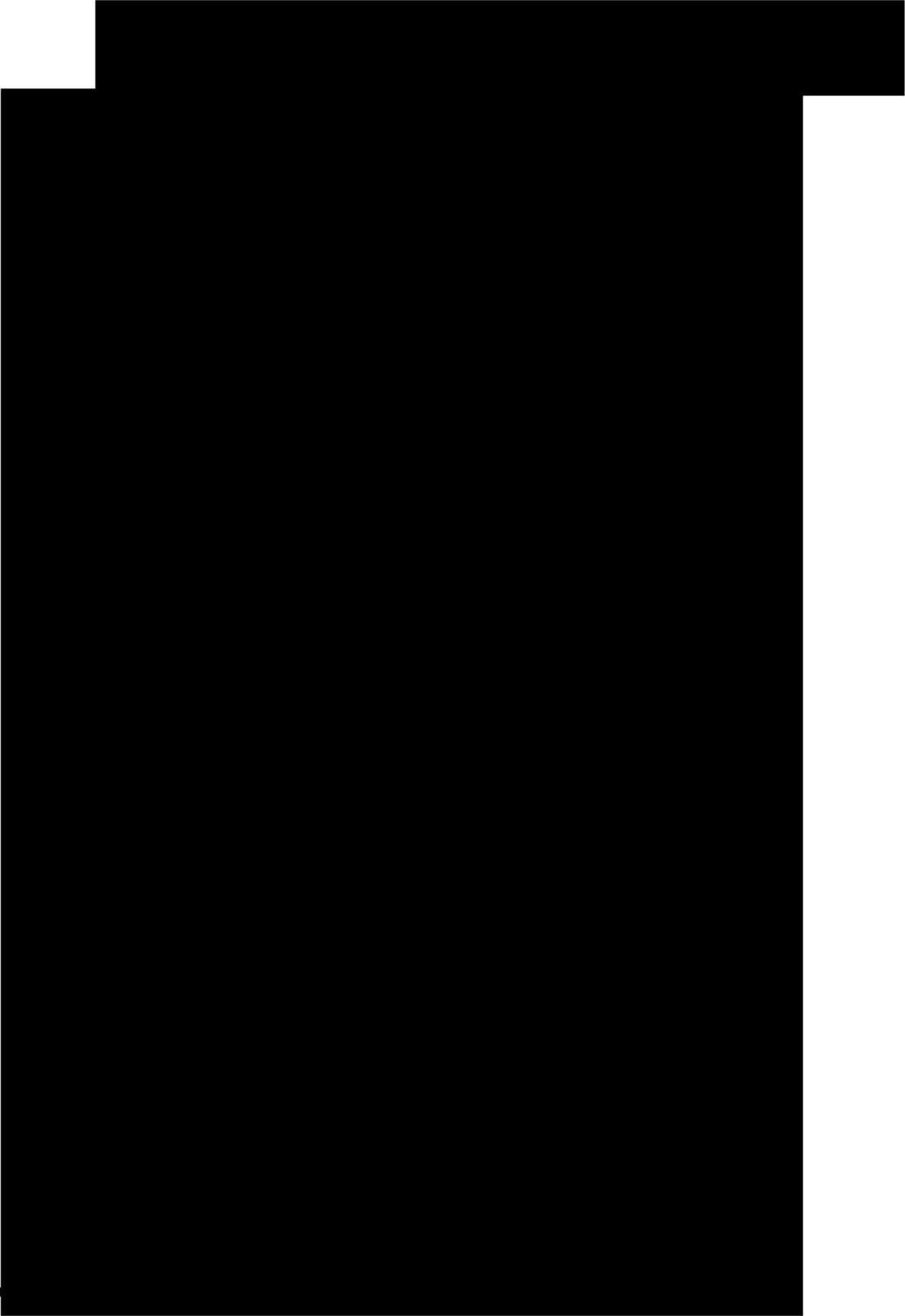


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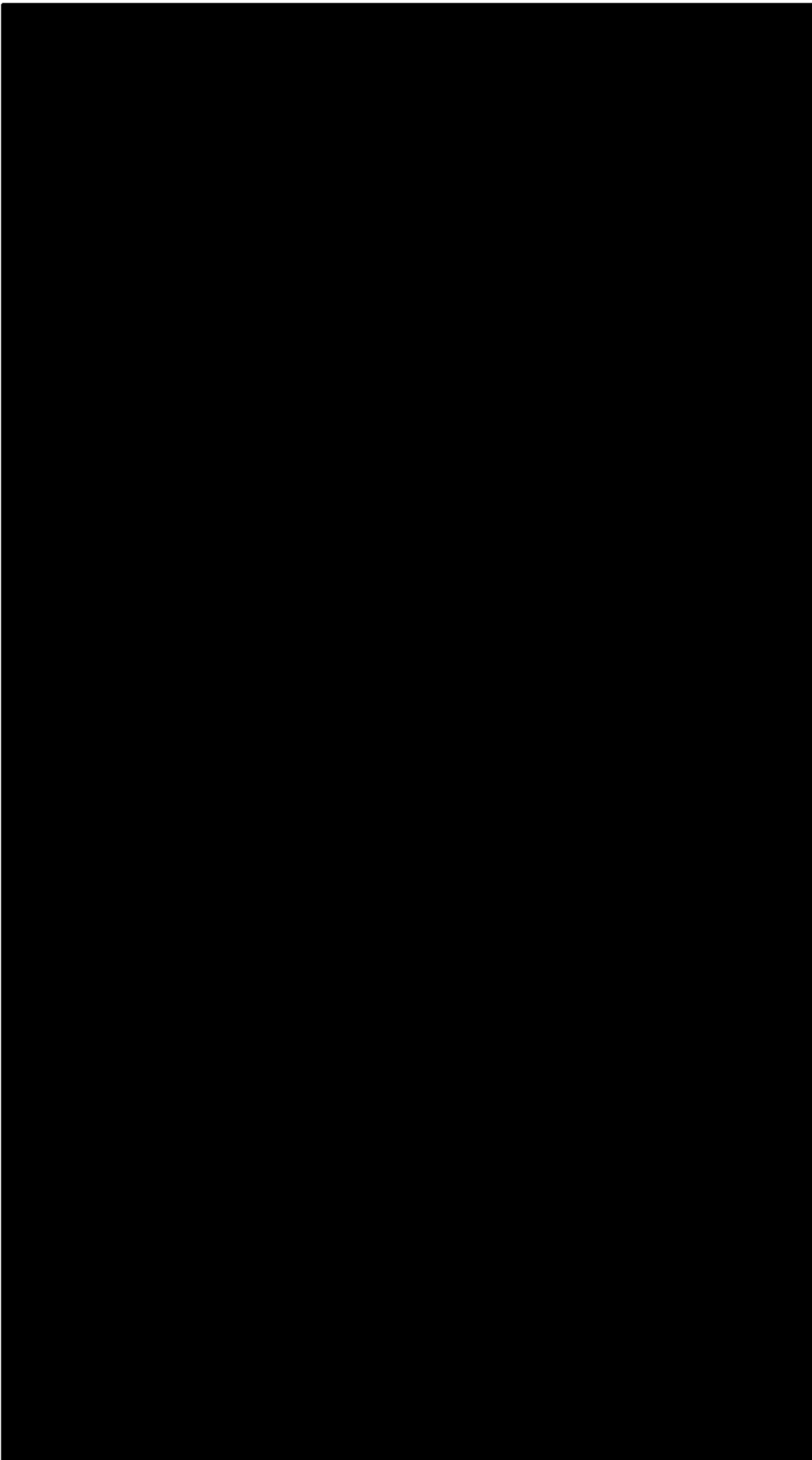
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**SCHEDULE 3**



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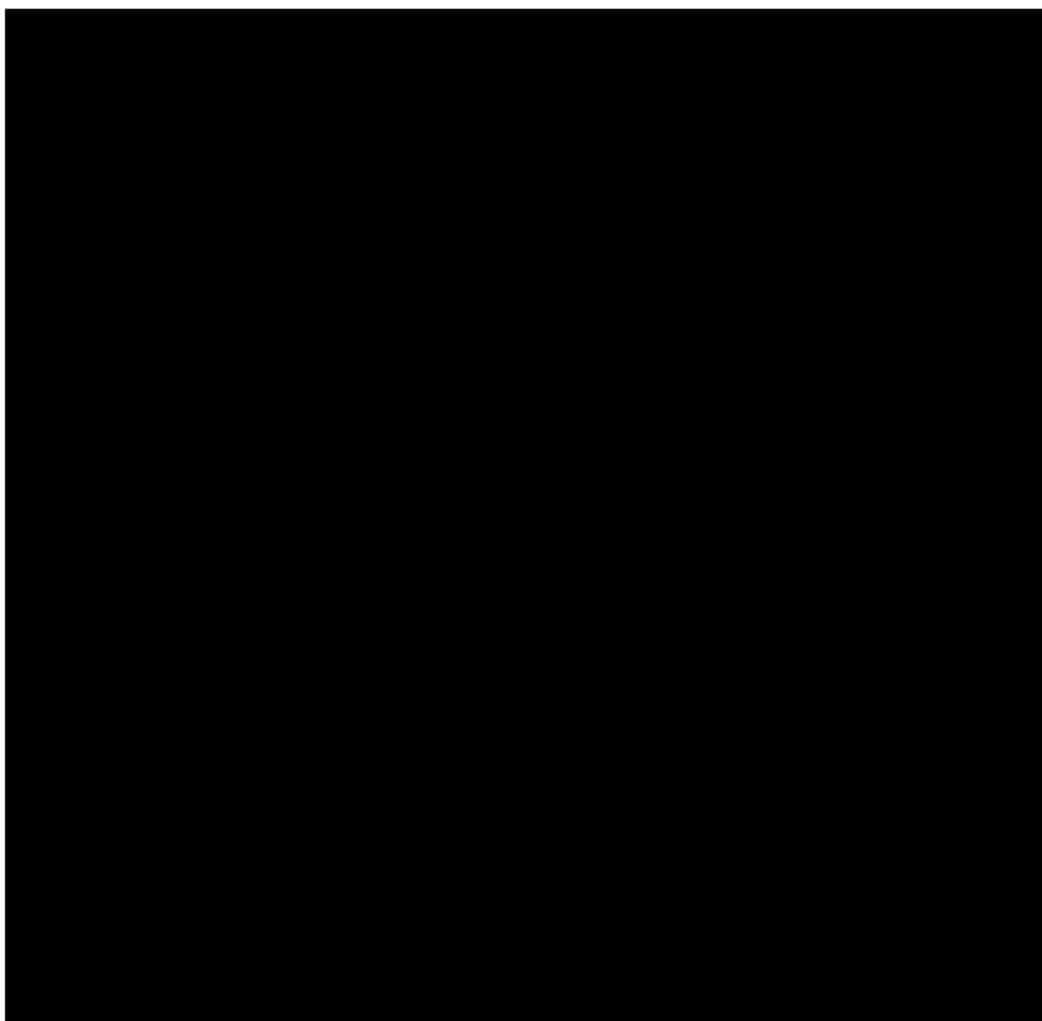


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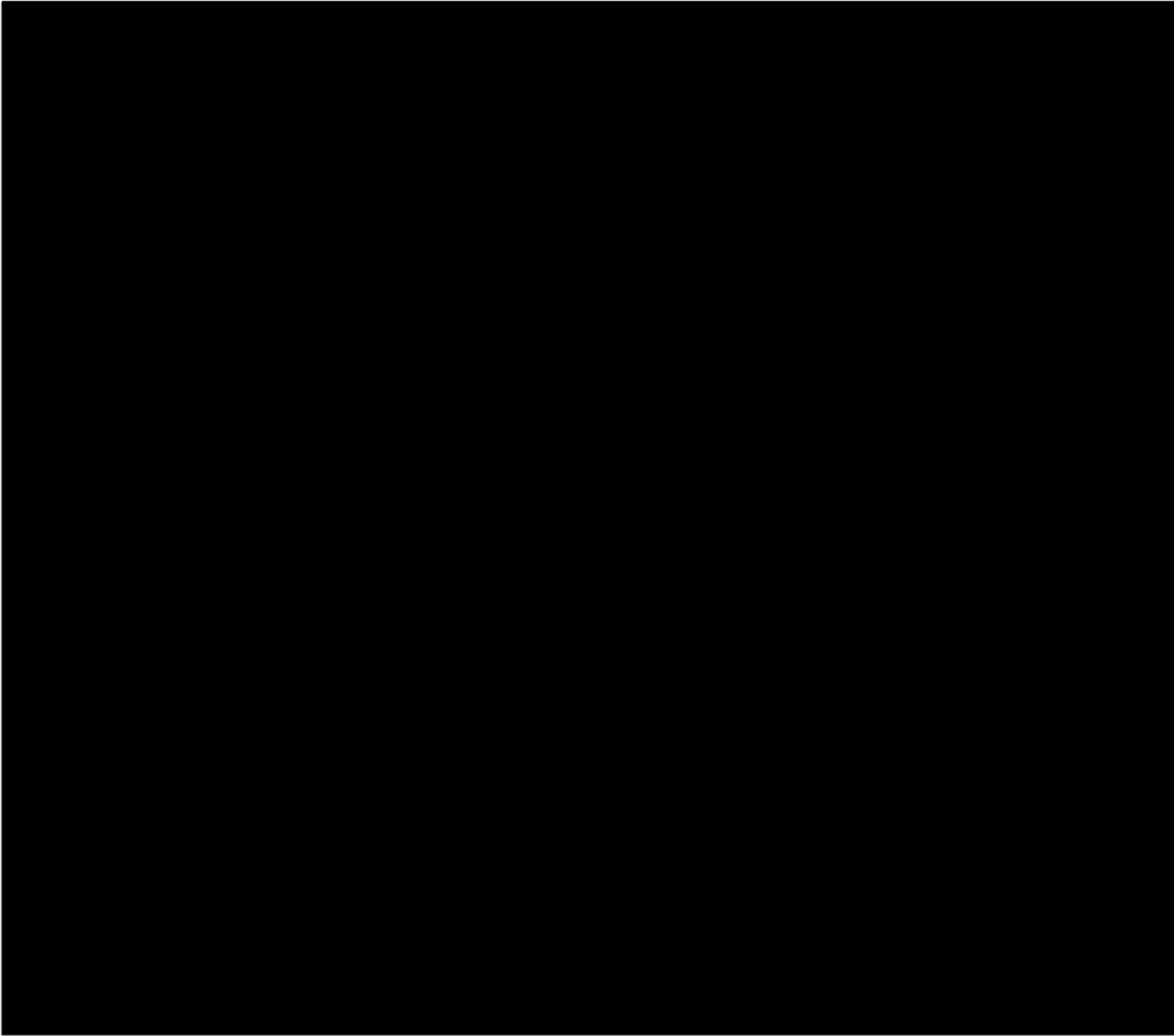


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SCHEDULE 4



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