



**Draft decision of the Extraordinary General Meeting of Shareholders of
AB Klaipėdos Nafta to be held on 4 December 2013**

On 11 November 2013 at the Board meeting of public limited liability company Klaipėdos Nafta, business identity code: 110648893, registered office address: Burių st. 19, Klaipėda (hereinafter referred to as the Company) the following decisions were made among others:

1. To convene the Extraordinary General Meeting of Shareholders of AB Klaipėdos Nafta on 4 December 2013, 1:00 pm, in the Company's registered office at the address: Burių st. 19, LT-91003 Klaipėda, in the administrative premises of the Company.
2. To approve the agenda of the Extraordinary General Meeting of Shareholders of the Company:

Regarding approval of the decisions of the Board of AB Klaipėdos Nafta to conclude, sign, undertake and fulfil obligations under the Agreement on the margin payment and mortgage of property and under the Maximum conditional and ordinary mortgage agreement, which will be concluded with the Ministry of Finance of the Republic of Lithuania.

3. To approve the draft decision of the Extraordinary General Meeting of Shareholders proposed by the Board of the Company on the issue of the agenda:

"To approve the decisions of the Board of AB Klaipėdos Nafta:

1. To conclude with the Ministry of Finance of the Republic of Lithuania an Agreement on the margin payment and mortgage of property, including all its amendments, supplementations and other modifications (hereinafter referred to as Margin Payment Agreement), which relates to the future state guarantee agreement (hereinafter referred to as State Guarantee Agreement), which the Ministry of Finance of the Republic of Lithuania will conclude with the European Investment Bank (hereinafter referred to as EIB) and which will serve as guarantee for the obligations of AB Klaipėdos Nafta to EIB in the amount of up to EUR 81,093,605 under Credit Agreement FI No 82.631 LT Serapis No 2012-0490 on the co-financing of the Liquefied Natural Gas Terminal (LNGT) project concluded with EIB on 9 July 2013, to sign it and to undertake and fulfil all the obligations under the Margin Payment Agreement. In addition, to sign, undertake obligations and fulfil any other agreements and documents as necessary and desired in order to obtain the said state guarantee and/or to secure its validity, and to take any other related actions, including payment of the margin payment in the amount of EUR 81,093.61, as provided in the Margin Payment Agreement.

2. In order to ensure appropriate and timely future fulfilment of the obligation of AB Klaipėdos Nafta to pay to the Ministry of Finance of the Republic of Lithuania the sums provided in the debt repayment agreement that will equal the sums paid by the Ministry of Finance of the Republic of Lithuania to EIB under the State Guarantee Agreement, to mortgage the property listed below in this item for the benefit of the Ministry of Finance of the Republic of Lithuania (the State):

(a) 3.2670 ha parcel of land located at the address: Klaipėdos r. sav. Dovilų sen. Kiškėnų k., parcel unique No 4400-2382-2820, registry No 44/1524424;

(b) all the below-listed property which will be created during the LNGT project and which AB Klaipėdos Nafta will acquire as ownership while developing and upon completing the LNGT project, i.e.:

- immovable property (control room/dispatcher room on the embankment's high-pressure gas platform; the room of the pump station and of the power cabinets on the embankment service platform; engineering networks – the gas main link; the building of the operating room of the gas metering station

(control and domestic premises); the building of the gas metering station with a penthouse for gas filters; access road, car parking lot; fence)

and

- as a complex of property - all movable items (installations/equipment) to be installed/built in on and/or next to the embankment, in the gas metering station (GMS), and other movable items (installations/equipment) which will relate to the terminal (including the link) or to its operation and will be built/installed in or next to the terminal (including the link) that are required for ensuring appropriate functioning of the terminal, any objects that due to their movable nature should not be registered as separate items in the register of immovable property, including but not limited to items that comprise the mooring system (including quick release mooring hooks, the load control system, the environment monitoring system, ancillary mooring system); 2 high-pressure natural gas reloading sleeves with the required piping, collectors and hydraulic power units required for transportation of compressed natural gas; an access ladder system; 2 marine jib-cranes and a telpher in the pump station building; a fire extinguishing system (including towers and hydrants); an electricity system (which, inter alia, consists of diesel generator equipment and its control cabinet and an electrical distribution apparatus); a control system (including a control panel); a communications link from ship to shore; a monitoring system: GMS fire protection system; GMS security system; items that comprise the GMS gas refinement node (including the items that comprise the automated control system for GMS installations), a gas metering system in GMS (including chromatographs, an automatic gas flow analyser, items that comprise the automatic gas flow regulation system and SCADA, other items comprising the gas metering system), computer hardware.

This future obligation of AB Klaipėdos Nafta secured by mortgage will emerge once the Ministry of Finance of the Republic of Lithuania pays to EIB the sums under the State Guarantee Agreement. Once the Ministry of Finance of the Republic of Lithuania has made such a payment to EIB, the parties to the mortgage agreement will define the conditions of the obligation of AB Klaipėdos Nafta to repay the corresponding amounts in the debt repayment agreement.

The parcel of land specified in clause 2(a) shall be mortgaged under primary maximum ordinary mortgage whereas the immovable items and the property complex listed in clause 2(b) shall be mortgaged under primary maximum conditional mortgage.

For the purpose of mortgaging the property listed in clause 2, to conclude and sign a maximum conditional and ordinary mortgage agreement with the Ministry of Finance of the Republic of Lithuania (hereinafter referred to as Mortgage Agreement) and any other documents related to the Mortgage Agreement, undertake and fulfil all obligations arising from the Mortgage Agreement (including property insurance and valuation, as defined in the Mortgage Agreement), and take other actions required for appropriate conclusion, signing, submission, registration, validity and performance of the Mortgage Agreement.

Since the property listed in clause 2(b) is being mortgaged as future property, clause 2(b) provides a preliminary list of such mortgaged property. Regardless of the above, the Board hereby decides to mortgage the entire terminal that will be created during the LNGT project, including the link, which comprises immovable property, and as a complex of property, movable property installed and/or built in or next to such immovable property (installations/equipment), which will be owned by AB Klaipėdos Nafta. Once the conditions for the coming into effect of conditional mortgage specified in the Mortgage Agreement emerge, the list of property mortgaged under the Mortgage Agreement may be adjusted under the procedure defined in the Mortgage Agreement so that it matches the actual composition of the immovable property comprising the LNGT that was created and whose ownership was obtained by AB Klaipėdos Nafta and of the movable property (installations/equipment) installed/built in and/or next to that property. The Board also hereby decides on the conclusion, signing and registration of the amendments to the Mortgage Agreement that are required for the implementation of the said adjustment of the list of property mortgaged under the Mortgage Agreement and no separate decision of the Board to make those amendments will be required.

3. *AB Klaipėdos Nafta may conclude a Mortgage Agreement specified in clause 2 and sign any related documents as well as take other required actions and may pay the margin payment specified in clause 1 only after receiving a confirmation from the European Commission that the state guarantee granted to the European Investment Bank is not considered state aid under the Treaty on the Functioning of the European Union or is considered state aid compatible with the internal market under the Treaty. This decision of the Board will be totally sufficient for undertaking the obligations specified in clauses 1 and 2, signing the documents and taking the actions as soon as such confirmation of the European Commission is received, and a separate additional decision of the Board on matters listed in this decision will not be required.*
4. *The head of AB Klaipėdos Nafta or another person duly authorised by him is being authorised and empowered to: On behalf of AB Klaipėdos Nafta and at his discretion, negotiate and agree on all the documents specified in clauses 1 and 2 of this decision, including but not limited to the conditions of the Margin Payment Agreement, the Mortgage Agreement and of the amendments in its clause 2 and the conditions of any related documents; conclude, sign and register these documents, including but not limited to the Margin Payment Agreement, the Mortgage Agreement and the amendments in its clause 2, and any other related documents and take any other actions required or recommended in order to duly conclude, sign, submit and register the transactions provided in this decision (including amendments, supplementations and other modifications to such documents); conclude, sign and submit the required documents and take any other actions required for stating, confirmation and/or registration in the respective registries of the emergence of the conditional mortgage conditions defined in the Mortgage Agreement.*
5. *Establish that the decisions of the Board specified above in clauses 1 to 4 will take effect after having been supported by the general shareholders' meeting of AB Klaipėdos Nafta."*