

Articles of Association
(consolidated with the amendments)

prepared in compliance with Act CXLIV of 1997 on Business Associations and Act CXII of 1996 on Credit institutions and financial undertakings (hereinafter the “Banking Act”) for the purpose of establishing a private, single-member company limited by shares by **OTP Bank Plc.** (1051 Budapest, Nádor u. 16., company registration number: 01-10-041585, taxation number: 10537914-4-44) and amended in compliance with Act IV of 2006 (hereinafter the “Companies Act”).

Article 1

Name and registered seat

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|-----|-------------------------|--|
| 1.1 | Company name: | OTP Jelzálogbank Zártkörűen Működő Részvénytársaság |
| | Name in German: | OTP Hypothekbank Geschlossene AG. Ungarn |
| | Name in English: | OTP Mortgage Bank Close Company Limited by Shares
Hungary |
| | Abbreviated name: | OTP Jelzálogbank Zrt. |
| 1.2 | Purpose of the Company: | specialised credit institution |
| 1.3 | Registered seat: | 1051 Budapest, Nádor u. 21. |

Article 2

Term of operation

- 2.1 The Company has been established for an indefinite term.
- 2.2 Date of foundation: the first working day following the receipt of the authorization for foundation, issued by the Hungarian Financial Supervisory Authority (hereinafter “the Authority”).
- 2.3 The Company will commence the activity stipulated in Article 3 of these Articles of Association on the first business day after receiving the relevant license of the Authority.

Article 3
Scope of activity

- 3.1 Scope of activity according to the Uniform Classification of Economic Activities (TEÁOR):
- TEÁOR '08 6419 Other monetary intermediation (including) acceptance of repayable funds from the general public (excluding the collection of deposits)
 - TEÁOR '08 6492 Other lending activities (including) granting loans against collateral secured by a mortgage on a real estate located in Hungary (mortgage loan) granting loans secured by a government guarantee without mortgage
 - TEÁOR '08 6619 Other activities auxiliary to financial services establishing the fair market value and collateral value of real estate.
 - TEÁOR '08 6831 Real estate agency activity (including) real estate appraisal.
- 3.2 The Company may perform its activities nationwide.

Pursuant to the decision of the Board of Directors, the Company is entitled to establish branches and premises in Hungary.

Article 4
Share capital and shares

- 4.1 The share capital of the Company amounts to HUF 27,000,000,000, that is, twenty seven billion forints cash.
- The share capital consists of 270,000, that is, two hundred and seventy thousand registered shares with a nominal value of HUF 100,000, that is, one hundred thousand forints each.
- 4.2 Pursuant to Article 284(4) of the Companies Act, the Company operating as a single-member company may not acquire own shares.
- 4.3 The Board of Directors of the Company shall keep a Book of Shares at the registered seat of the Company. In respect of the Company, shareholders' rights may only be exercised by a person having been registered in the Book of Shares as a shareholder.

Any shares having been issued to a shareholder having proper entitlement thereto or that may be received by a shareholder having proper entitlement thereto shall be regarded as outstanding.

The shares of the Company will be recorded as dematerialised securities.

4.4 The Board of Directors of the Company enter the following data for each shares recorded in the Book of Shares at all times or upon receipt of a request for the registration of change forthwith:

- (a) name of the shareholder; if the shareholder is a natural person: residence, mother's name, citizenship, if the shareholder is a business with or without legal entity: the seat of the shareholder,
- (b) serial number, code, series and nominal value of the share,
- (c) share category,
- (d) date of share purchase,
- (e) date of registering the share transfer in the Book of Shares,
- (f) in the event of multiple owners, the data of the shareholders and the common representative as specified in subsection a) above,
- (g) date of over stamping,
- (h) date of share withdrawal and destruction,
- (i) the file number and data of the resolution of the Authority pertaining to the change of owner,
- (j) in the case of dematerialised shares: instead of the serial number, the share code and instead of a signature, the persons having duly signed the document need to be recorded.

4.5 Legal form of operation: private company limited by shares.

Article 5

Transfer of shares

5.1 A person having obtained a registered share may request the Board of Directors in writing to record its acquisition in the Book of Shares at any time. The following documents shall be attached to, or presented together with the written request:

- (a) certificate of deposit or account statement issued by a custodian in Hungary, providing sufficient proof that the share is, in fact, owned by the acquirer,
- (b) in the case of natural (private) person shareholders: declaration of citizenship and the identification data listed under Article 4.4. a) herein,
- (c) if the shareholder is not a natural (private) person: document suitable for the verification of the owners.

- 5.2 The new shareholder will be entitled to the same rights as the former one.
- 5.3 In respect of the share transfer, the provisions of the Banking Act pertaining to the transfer of property shall be applied.

Article 6

Representation, signing documents on behalf of the Company

- 6.1 Execution of documents on behalf of the Company shall be performed by signing the name of the person authorised to represent the Company – in the form shown in the authentic specimen signature – under the previously written, pre-printed or printed Company name.
- 6.2 The following persons are entitled to represent the Company:
- two members of the Board of Directors jointly,
 - two managing directors as specified in the Banking Act jointly,
 - a member of the Board of Directors jointly with a managing director,
 - in the scope of issues specified by the Board of Directors, two authorised signatory employees jointly,
 - a signatory employee authorised by the Board of Directors jointly with a member of the Board of Directors,
 - a signatory employee authorised by the Board of Directors jointly with a managing director.

Article 7

Shareholders' Meeting

- 7.1 The Shareholders' Meeting is the supreme body of the Company, comprising the entirety of shareholders. Shareholders exercise their rights at the Shareholders' Meeting. As long as the Company operates as a single-member company, the rights of the Shareholders' Meeting shall be exercised by the founding shareholder. In respect of single-member companies limited by shares, Articles 283 to 284 of the Companies Act shall be applied.
- 7.2 The ordinary Shareholders' Meeting shall be held once a year, after the balance sheet for the previous year, together with the auditor's opinion, has been finalised.
- 7.3 Extraordinary Shareholders' Meeting shall be convened if resolved so by the Board of Directors, the previous Shareholders' Meeting, or the Supervisory Board, or if it is requested in writing from the Board of Directors, indicating the reason and purpose

therefor, by the Chairperson of the Supervisory Board, the auditor, or shareholders having at least five percent of the votes.

- 7.4 Shareholders having at least five percent of the votes may request in writing from the Board of Directors, indicating the reason therefor, to set a specific issue on the agenda of the Shareholders' Meeting.

The above right may be exercised within eight calendar days after receiving the invitation to the Shareholders' Meeting.

- 7.5 As a rule, the Shareholders' Meeting is convened by the Board of Directors. The Supervisory Board may convene the Shareholders' Meeting, if it deems that the activities of the management violate the law, the Articles of Association or the resolutions of the Shareholders' Meeting of the Company, or otherwise injure the interests of the Company or the shareholders.

- 7.6 The invitation to the Shareholders' Meeting shall be sent to the shareholders at least 15 days prior to the starting date thereof.

The invitation shall contain the following:

- name and registered seat of the Company,
- date and venue of the Shareholders' Meeting,
- items of the agenda of the Shareholders' Meeting,
- conditions to be fulfilled for exercising the voting right,
- in case of a lack of quorum, the date and venue for the repeated Shareholders' Meeting.

- 7.7 The agenda of the Shareholders' Meeting shall be determined by the Board of Directors.

- 7.8 The Shareholders' Meeting may only discuss an issue beyond the items on the agenda announced if all shareholders are present and agree thereto unanimously.

Within thirty days following the date of the meeting at the latest, resolutions adopted at irregularly convened or held meetings may be declared valid by the unanimous resolution of the shareholders.

- 7.9 The Shareholders' Meeting shall constitute a quorum if shareholders holding more than 50 % of the voting shares are present.

- 7.10 Should a regularly convened Shareholders' Meeting not constitute a quorum even after the lapse of one hour from the time specified in the invitation, the Shareholders' Meeting shall be convened once again within 15 days. The second Shareholders' Meeting – which

shall discuss the original agenda – shall constitute a quorum regardless of the number of persons present.

In the event that a Shareholders' Meeting is suspended pursuant to the decision of the shareholders, it shall resume within thirty days, at the time specified in the resolution pertaining to the suspension. In this case, no further notification is issued in this regard. A Shareholders' Meeting may only be suspended on one occasion.

- 7.11 Shareholders may exercise their right to attend and vote at the Shareholders' Meeting personally or by proxy. The authorisation for proxy shall be drawn up as a public deed or a private document with full probative force.

The authorisation for proxy shall remain valid for a single Shareholders' Meeting or a specific time period which, however, may not exceed 12 months.

The authorisation for proxy shall also remain valid in case of the resumption of a suspended Shareholders' Meeting and a Shareholders' Meeting re-convened due to lack of quorum.

- 7.12 Attendance and exercise of the voting right at the Shareholders' Meeting is subject to the effective registration of the holder of the registered share in the Book of Shares.

- 7.13 Each share having a nominal value of HUF 100,000 shall entitle its holder to one vote at the Shareholders' Meeting.

- 7.14 In the cases specified in Section 7.20, the Shareholders' Meeting shall adopt its resolutions by at least a three-third majority of votes. In all other cases, a simple majority will suffice.

- 7.15 A resolution of the Shareholders' Meeting that implements adverse changes in respect of a right associated to a series of shares may only be adopted with the consent of the majority of the holders of the affected share series, present at the Shareholders' Meeting.

- 7.16 Resolutions are adopted by way of an open vote.

- 7.17 The Minutes taken at the Shareholders' Meeting shall contain the following:

- name and registered seat of the Company
- method, venue and time of the Shareholders' Meeting,
- data required to establish that the Shareholders' Meeting constitutes a quorum,
- the name of the presiding chairperson at the Shareholders' Meeting, the keeper and certifier of the Minutes and the members of the Teller Board,

- major events and motions proposed at the Shareholders’ Meeting,
- draft resolutions, the number of votes for and against as well as the number of persons who abstained from voting,
- the objection of a shareholder, a member of the Board of Directors or the Supervisory Board to a resolution, if requested to be recorded by the relevant person.

7.18 The Minutes shall be signed by the chairperson of the Shareholders’ Meeting and the keeper of the Minutes, and certified by a shareholder present, appointed by the Meeting.

7.19 A certified copy of the Minutes taken at the Shareholders’ Meeting or an excerpt thereof, together with the attendance sheet and the document verifying that the Meeting had been convened according to the rules, shall be sent by the Board of Directors – not later than 30 days following the adjournment of the Shareholders’ Meeting – to the Company Court of Registration.

7.20 The following shall fall within the exclusive competence of the Shareholders’ Meeting:

- (a) to draw up and amend the Articles of Association;
- (b) to increase the share capital;
- (c) to decide on the transformation of the company limited by shares into another legal form of operation;
- (d) to change the rights associated with the various share series, and to change the share categories or classes;
- (e) to decide on the listing or withdrawal of the shares on/from the stock exchange;
- (f) to decide – unless regulated otherwise by the Companies Act – on the reduction of the share capital;
- (g) to decide the transformation of the Company and its termination without a legal successor;
- (h) to decide on the change of the share category;
- (i) to elect and remove the members of the Board of Directors, the Supervisory Board and the auditor, and to establish their remuneration;
- (j) to approve the balance sheet prepared in compliance with the Accounting Act, including the decision pertaining to the use of profit after taxation and the payment of dividend advance;
- (k) to approve the Rules of Procedure of the Supervisory Board;
- (l) to resolve on the issue of convertible bonds or bonds granting subscription right, unless stipulated otherwise in these Articles of Association;
- (m) to resolve on the transformation of printed shares issued formerly by the Company to dematerialised shares;
- (n) to decide on the prohibition of pre-emption right in respect of subscription;

- (o) to decide on the acquisition of own shares – unless provided otherwise by law, or a statutory provision of these Articles of Association;
- (p) to approve the mid-term business policy concept;
- (q) to approve the annual business policy and financial plan;
- (r) to approve and amend the Organisational and Operational Rules of the Company;
- (s) to approve membership in international organisations;
- (t) to effect capital investments, sell and buy shares, increase/decrease capital investments, with the exception of listed securities bought for resale, if such investment results in the credit institution's obtaining a less than 5 % share in the registered capital or less than 5 % of the voting rights of the company listed on the stock exchange.

7.21 The following may request the judicial review of an unlawful resolution of the Shareholders' Meeting:

- any of the shareholders,
- any member of the Board of Directors,
- any member of the Supervisory Board.

7.22 The suit against the Company may be initiated within 30 days of gaining cognisance of the unlawful resolution. After the lapse of a 90-day period following the adoption of the resolution such right will be forfeited, and the resolution may not be contested even if it had not been communicated to or had not come into the cognisance of the person who would otherwise be entitled to initiate court proceedings.

Should the review be initiated by a member of the Board of Directors, and there is no other Member of the Board of Directors who could represent the Company before court, the Company will be represented in the suit by a member of the Supervisory Board designated by the Supervisory Board.

7.23 The shareholder initiating the suit shall deposit at the proceeding court at least one share or a statement of the blocked securities sub-account with at least one share thereon.

Article 8

The Board of Directors

8.1 The Board of Directors is the managing body of the Company.

The Company is represented towards third parties and other authorities by the Board of Directors.

8.2 The Board of Directors of the Company shall consist of at least three, but maximum eleven members.

8.2.1 Only natural persons may become a member of the Board of Directors.

8.2.2 The Board of Directors shall have at least two members who are employed by the Company under a labour contract (insider members).

The insider member of the Board of Directors may be the managing directors of the Company.

(According to the definition set forth in the Banking Act, managing director means “the president of a financial institution elected by the board of directors and employed by the financial institution, appointed to manage the financial institution, and a senior officer employed by the credit institution or the financial enterprise as well as all deputies of this officer.”)

The Board of Directors of the Company shall have at least two members who are Hungarian citizens, classify as residents under the foreign exchange regulations and have had a permanent residence in Hungary for at least one year.

8.3 ***Members of the Company’s Board of Directors***

- ***Dániel Gyuris (Üllés, 08/10/1958, Matild Vidéki, 2 Pécskai Street, H-6726 Szeged)***
- ***György Máriás (Budapest, 21/07/1963, Irma Kapitány, 27 Apponyi Street, H-2045 Törökbálint)***
- ***Antal Kovács (Berzence, 10/10/1953, Ilona Kecskés, 32 Vöröstelek Street, H-7400 Kaposvár)***
- ***Zoltán Roskó (Kisvárda, 07/08/1972, Zsuzsanna Mozga, 4 Pecz Samu Street, H-1118 Budapest)***
- ***Attila Kovács (Medgyesegyháza, 25/10/1978, Erzsébet Bodzsár, 38 Zsálya Street I/3, HU-1141 Budapest)***

Members of the Board of Directors shall be elected by the Shareholders’ Meeting for a five-year period and the mandate of new members elected during this period shall remain valid until the election of the Board of Directors. Should a new body be elected prior to the lapse of the five-year term of the Board of Directors, the mandate of the new members of the Board of Directors shall last for the five-year term following the election of the new body.

8.4 The Board of Directors shall elect a chairperson and may elect deputy chairpersons from among its members.

8.5 At all times, the members of the Board of Directors shall act with due diligence and expertise, with due consideration to the interests of the credit institution and the clients, and in compliance with the laws.

The members of the Board of Directors shall bear joint and several liability under the Civil Code for causing damage to the Company through the violation of their obligations, even if they are concurrently employed by the Company. The member of the Board of Directors who did not participate in the adoption of the decision or voted against the resolution or the measure shall be relieved of this liability.

The Board of Directors shall be bound by all obligations and legal prohibitions stipulated by the Banking Act in respect of executive officers.

8.6 Membership of the Board of Directors shall terminate:

- upon expiration of the mandate,
- upon the resignation of the member,
- upon removal of the member,
- upon the death of the member,
- upon the termination of the insider member's employment,
- upon the occurrence of the reason for disqualification stipulated by law.

8.7 The Board of Directors shall hold meetings as necessary, but at least four times a year.

8.8 The meeting of the Board of Directors shall also be convened if requested in writing – indicating the reason and purpose therefor – by two members of the Board of Directors, or by the Supervisory Board or the auditor(s).

8.9 The meeting of the Board of Directors shall be convened by the Chairperson, or, if the Chairperson is prevented, the Deputy Chairperson.

8.10 The Chairperson of the Supervisory Board, or the member of the Supervisory Board designated thereby and the auditor may attend the meetings of the Board of Directors with a right of consultation.

The Chairperson of the Board of Directors may also invite other persons to the meeting, who will also have the right of consultation.

8.11 The meeting of the Board of Directors shall constitute a quorum if more than one half of the members are present.

8.12 The Board of Directors shall adopt its resolutions by way of simple majority vote, unless it is stipulated otherwise in the Rules of Procedure. In the event of a tie vote, the vote of the Chairperson will decide.

8.13 The Board of Directors shall

- prepare the annual balance sheet, the statement of source and application of funds, the proposal for the distribution of profits;
- submit a report to the Shareholders’ Meeting on an annual basis on the management, the asset status and business policy of the Company;
- ensure that the books of the Company are properly kept;
- adopt resolutions in compliance with the scope of powers specified in the Articles of Association and the Organisational and Operational Rules;
- prepare a report for the Supervisory Board, on a quarterly basis, on the management, the asset status and business policy of the Company, as well as on the implementation of the operating and financial conditions specified by the Shareholders’ Meeting, the liquidity of the Company, the complaints received, risk management issues and the status of the capital investments of the Company,
- request the management to report, on a quarterly basis, on the fulfilment of the business plan and the status of the capital investments of the Company,
- provide extraordinary information to the Supervisory Board, in the following cases:
 - = if the Company is unable to fulfil any of the resolutions of the Shareholders’ Meeting,
 - = if the semi-annual check shows that the actual performance is 20 % below the planned semi-annual figures,
- it shall convene the Shareholders’ Meeting – and concurrently notify the Supervisory Board thereof – within eight days for the adoption of the necessary measures upon gaining cognisance of the following:
 - = due to losses, the equity fell to two-thirds of the share capital, or
 - = the equity of the Company fell below the level stipulated by law,
 - = the Company is threatened by insolvency, terminated its payments or its assets do not provide coverage for its debts.

The following shall be the responsibility of the Board of Directors:

- to approve the internal regulations associated with the prudent operation of the Company,
- to approve the business rules of the Company,
- to designate the authorised signatories,
- to approve investment projects exceeding 20 % of the investment budget or HUF 10 million,
- to decide on off-plan projects that fall within the budget,
- to approve the nominations for the executives for capital investments,
- to approve consent judgements and out-of-court settlements resulting in a loss exceeding HUF 10 million.

The following shall fall within the exclusive competence of the Board of Directors:

- (a) to take the measures required to adhere to the instructions of the Authority or the National Bank of Hungary;
- (b) to prepare and analyse the business policies, business plans and the annual budgets and assess adherence;
- (c) to resolve on the conclusion or amendment of contracts that may exert a material impact on the operation of the Company;
- (d) to resolve on the performance of the licensed banking activities;
- (e) to resolve on the issue of mortgage bonds and the conditions thereof;
- (f) to resolve on the establishment of branches and business premises (Section 3.2);
- (g) to resolve on the authorisation of loans classified as internal loans under the Banking Act;
- (h) to resolve on permitting the performance of financial services through another legal entity;
- (i) to keep the Book of Shares of the Company;
- (j) to prepare and approve the internal regulations of the Company or to have them prepared;
- (k) in justified cases, to establish expert boards to operate within the Board of Directors, and to approve their rules of operation;
- (l) to resolve on all issues referred to the scope of competence of the Board of Directors by the Shareholders' Meeting.

8.14 Employer's rights over the employees of the Company – with the exception of managing directors – shall be exercised by the Chief Executive Officer or the manager specified in the Organisational and Operational Rules.

In respect of persons classifying as managing directors under the Banking Act, the employer's rights shall be exercised by the Board of Directors.

8.15 The Board of Directors shall establish its own Rules of Procedures.

8.16 Minutes shall be taken at the meetings of the Board of Directors, in compliance with the rules stipulated in the Rules of Procedure. The Minutes shall contain the following:

- venue and time of the meeting of the Board of Directors,
- names of the members of the Board of Directors present,
- the motions put forward,
- the votes of the members of the Board of Directors, indicating their name, based on which the resolution has been adopted.

The members of the Board of Directors may request word-by-word recording of their opinion in the Minutes.

The Minutes of the meeting shall be signed by the chairperson of the meeting and two other members present. The Minutes shall be forwarded to all members of the Board of Directors and the Chairperson of the Supervisory Board within 15 days of the meeting, regardless of whether they attended the meeting.

The Board of Directors may only adopt a valid resolution by way of telephone, fax, telex or other method, if – after the fulfilment of the conditions set forth in Sections 8.12 and 8.13 herein – the members of the Board of Directors state their vote in the form of a private document with full probative force and send it to the registered seat of the Company within five working days.

- 8.17 The Board of Directors and the Chief Executive Officer will divide the tasks as follows: the day-to-day operation of the Company is managed and supervised by the Chief Executive Officer in compliance with the law, the provisions of these Articles of Association and the resolutions of the Shareholders' Meeting and the Board of Directors. This division of labour shall be without prejudice to the liability of the Board of Directors and the members thereof stipulated by law.

The Chief Executive Officer shall be entitled to represent the Company in general.

The Chief Executive Officer:

- may decide on financial issues within the limits of the annual budget, in its scope of powers specified herein and the Organisational and Operational Rules;
- may decide with respect to the limits – specified herein and the Organisational and Operational Rules – and in issues not falling within the scope of competence of the Board of Directors;
- shall report to the Board of Directors on the fulfilment of the business plan and the status of the capital investments of the Company on a quarterly basis;
- nominates the executives for capital investments;
- exercises employer's rights over the employees of the Company, unless stipulated otherwise in Section 8.14 herein;
- decides, from among capital investments for the purpose of resale, on investment in stock exchange equities, if such investment results in the credit institution's obtaining a less than 5 % share in the registered capital or less than 5 % of the voting rights of the company listed on the stock exchange.

Article 9
The Supervisory Board

9.1 The management and administration of the Company is supervised by the Supervisory Board. In other respects, it shall discharge the tasks specified in the Companies Act, the Banking Act and these Articles of Association.

9.2 The Supervisory Board shall consist of at least three, but maximum nine members.

Only natural persons may become members of the Supervisory Board.

9.3 ***Members of the Company's Supervisory Board***

- ***Ibolya Dr. Rajmonné Veres (Budapest, 22/12/1974, Margit Veres, 9 Nagysándor József Street, H-2220 Vecsés)***
- ***Ágota Selymesi (Pilisvörösvár, 18/04/1948, Erzsébet Schaffer, 109 Fő Street, H-2085 Pilisvörösvár)***
- ***Cecília Nádasné Gajzágó (Budapest, 19/05/1971, Margit Bíbor, 273 Mártírok Street, H-1202 Budapest)***
- ***Frigyes László Garai (Somogyudvarhely, 30/06/1952, Margit Tóth, 61 Pasaréti Street „B” building III/2. H- 1026 Budapest)***

Members of the Supervisory Board shall be elected by the Shareholders' Meeting for a five-year period and the mandate of new members elected during this period shall remain valid until the election of the Supervisory Board.

The Shareholders' Meeting may not elect the members of the Board of Directors and their close relatives, the employees of the Company to the Supervisory Board, unless it is stipulated otherwise in Article 33(2) (d) of the Companies Act.

9.4 The Supervisory Board shall elect a chairperson from among themselves.

9.5 The Supervisory Board shall establish its own Rules of Procedure, which will then be approved by the Shareholders' Meeting.

9.6 The Supervisory Board shall constitute a quorum if two-thirds of its membership, but at least three members are present. Unless stipulated otherwise in its Rules of Procedure, the Supervisory Board shall adopt its resolutions by simple majority vote.

9.7 In respect of the termination of membership in the Supervisory Board, the provisions set forth in Section 8.6 herein shall be applied as appropriate.

9.8 As a controlling body, the Supervisory Board may request reports and information from the members of the Board of Directors and the senior officers of the Company, which request shall be fulfilled within 8 days in writing. Furthermore, the Supervisory Board

may examine, or may assign an expert to examine the books and documents of the Company.

The Supervisory Board shall be entitled to examine all material business policy reports put on the agenda of the Shareholders' Meeting of the Company, and all proposals pertaining to issues falling within the exclusive competence of the Shareholders' Meeting. The Shareholders' Meeting may only adopt a decision on the report prepared in compliance with the Accounting Act and on the distribution of after tax profit after having obtained the written report of the Supervisory Board.

- 9.9 The Supervisory Board may exercise its rights as a body or through its members. It may also distribute its tasks among its members on a permanent basis as well. The division of labour shall not prejudice the liability of the Supervisory Board members, nor their right to extend their activity.
- 9.10 The members of the Supervisory Board shall be invited to the Shareholders' Meeting. The members of the Supervisory Board attend the Shareholders' Meeting with a right of consultation and may put forward motions.
- 9.11 The provisions set forth in Section 8.5 herein shall also be applied to the Supervisory Board.
- 9.12 The management of internal audit shall fall within the competence of the Supervisory Board. The Supervisory Board shall manage the internal audit organisation of the Company within the limits of, and in compliance with the provisions stipulated in the Banking Act. The prior consent of the Supervisory Board is required for the decisions concerning the establishment and termination of the employment of the employees of the internal audit organisation and the establishment of the remuneration of internal audit employees.
- 9.13 The Supervisory Board shall hold meetings on a quarterly basis. A meeting shall be convened if so requested in writing – indicating the reason and purpose therefor – by a member of the Supervisory Board or the Board of Directors, or the auditor.
- 9.14 Within ten days following the meeting, the Chairperson of the Supervisory Board shall send to the Authority those minutes, proposals and reports which concern items on the agenda discussed by the Supervisory Board on the subject of severe violation of the internal regulations of the Company or material irregularities in management and control.
- 9.15 The Supervisory Board
- requests a report from the Board of Directors, on a quarterly basis, on the management, the asset status and business policy of the Company, as well as on

the implementation of the operating and financial conditions specified by the Shareholders' Meeting, the liquidity of the Company, the complaints received, risk management issues and the status of the capital investments of the Company,

- discusses the reports prepared by the internal audit organisation on a semi-annual basis, and checks the implementation of the required measures,
- approves the contracts specified by law,
- may initiate the convening of an extraordinary Shareholders' Meeting if:
 - = the Company is unable to fulfil any of the resolutions of the Shareholders' Meeting,
 - = if the semi-annual check shows that actual performance is 20 % below the planned semi-annual figures,
 - = if the conditions specified in Section 7.5 herein prevail.

9.16 As an audit committee, the Supervisory Board shall be responsible for the following duties:

- (a) monitoring the process of financial reporting, putting forward proposals for the required actions,
- (b) monitoring the efficiency of the internal audit and risk management system,
- (c) monitoring the audit of the annual report and the consolidated annual report,
- (d) commenting on the report of the Company prepared in accordance with the Accounting Act,
- (e) monitoring the auditor's and the auditing company's independence and compliance with professional requirements and conflict of interest regulations, including any services provided by the auditor or by the auditing company to the issuer in addition to the auditing of the annual report or the consolidated annual report,
- (f) putting forward recommendations for the auditor and the auditing company as well as the remuneration thereof,
- (g) performing preparatory work for the conclusion of the contract with the auditor.

Article 10 The Auditor

10.1 The Shareholders' Meeting of the Company shall select an auditor from among the chartered auditors registered in Hungary who comply with the provisions of the Banking Act.

The Founder, the shareholders of the Company, the members of the Board of Directors or the Supervisory Board and their close relatives (Article 685 (b) of the Civil Code), or the employees of the Company may not be appointed to the post of the auditor of the Company, for a period of three years after the cessation of their capacity as such.

In the case of an auditor organisation, the rules pertaining to conflict of interest shall also apply to the employee of the organisation performing auditing tasks, all members (shareholders), senior executives and senior officials of the organisation.

10.2 An auditor (auditing company) holding a valid operating license may be assigned with the audit if

- (a) they have been recorded in the register kept by the Authority on financial institution auditors, under the relevant decision;
- (b) the owner with a major holding or controlling interest has neither a direct nor an indirect share in the auditing company;
- (c) the auditor does not hold a direct or indirect interest in the Company;
- (d) the auditor has no outstanding debt towards the Company (general requirement).

The restrictions listed under subsections c) and d) shall also be applied to the close relatives of the auditor.

Further requirements in respect of the natural person auditor of the Company:

- (a) they may perform auditing tasks at a maximum of five credit institutions simultaneously, non-inclusive of cooperative credit institutions,
- (b) they may perform auditing tasks at a maximum of ten cooperative credit institutions simultaneously,
- (c) their income (earnings) received from a single credit institution may not exceed 30 % of their annual income (earnings).

Further requirements in respect of auditor companies:

- (a) within the audit company, the auditor fulfilling the general requirements set forth in Section 10.2 may perform auditing tasks at a maximum of five credit institutions simultaneously, non-inclusive of cooperative credit institutions,
- (b) within the audit company, an auditor may perform auditing tasks at a maximum of ten cooperative credit institutions simultaneously,
- (c) the earnings of the auditing company derived from a single credit institution or cooperative credit institution may not exceed 10 % of its net annual revenue.

10.3 The Founder hereby appoints the following person the auditor of the Company:

Deloitte Könyvvizsgáló és Tanácsadó Kft. (1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057)

The auditor shall be elected by the Shareholders' Meeting for a one-year period to last until the Shareholders' Meeting closing the first business year following the year of the appointment.

The mandate of the natural person auditor of the Company may not last longer than five years and a new assignment contract may only be concluded with the same auditor after the lapse of three years following the expiry of the mandate.

An auditor employed or assigned by the auditing company may only perform audit tasks at the same credit institution for a maximum of five years.

If the auditor is a legal entity, it has to designate a member, senior officer or employee who shall be held personally liable for the audit. The auditor bearing personal liability may be substituted by a deputy auditor.

After the appointment, the management of the Company shall conclude a contract with the auditor in compliance with the general rules of the civil law.

The Company may not appoint an employee of the Authority or the close relative thereof to the post of its auditor.

- 10.4 The auditor may examine the books, documents and contracts of the Company, request information from the members of the Board of Directors and the Supervisory Board and the employees of the Company, and may review the bank account, cash on hand, securities portfolio, product stocks and the contracts of the Company. The auditor may exercise this right with the co-operation of the internal audit organisation of the Company.
- 10.5 The auditor shall verify the authenticity and legal compliance of the report of the Company prepared in accordance with the Accounting Act. The Shareholders' Meeting may adopt a resolution concerning the report of the Company prepared in accordance with the Accounting Act only after hearing the opinion of the auditor thereon.

Furthermore, the auditor shall examine all material business reports submitted to the Shareholders' Meeting and verify their compliance with the law and the authenticity of the data indicated therein.

In addition to the annual report of the Company the auditor shall also evaluate the following:

- (a) whether the assessment is professionally correct,
- (b) whether the statutory and required value adjustments and write-offs have been performed,
- (c) whether the statutory and required provisions and reserves have been generated,
- (d) whether the regulations pertaining to the solvency margin, capital adequacy, continuous solvency and the specific financial services have been obeyed,

- (e) whether the legal regulations pertaining to profitable, reliable and independent ownership and prudent operation, and further, the Act on the National Bank of Hungary, the legal regulations on payments and foreign exchange, the decrees of the National Bank of Hungary and the decisions of the Authority and the National Bank of Hungary have been adhered to, and
 - (f) whether the controlling systems are in place and operating properly.
- 10.6 The auditor shall be invited to the Shareholders' Meeting of the Company.
- 10.7 The auditor shall advise the Supervisory Board and request the convening of the Shareholders' Meeting upon gaining cognisance of an expected material drop in the assets of the Company or of a fact for which a member of the Board of Directors or the Supervisory Board may be held liable.
- 10.8. Concurrently with informing the Company, the auditor shall forthwith notify the Authority in writing, in the following cases:
- (a) upon ascertaining facts which may lead to a qualified auditor's opinion or the disclaimer of auditor's opinion,
 - (b) upon observing conditions implying that a criminal offence has been committed, or the internal regulations of the Company have been violated materially, or implying the pending dire threat of the facts referred to in subsection a) above,
 - (c) upon observing conditions implying that the provisions set forth in the Banking Act or other legal regulations, or the decrees of the National Bank of Hungary have been materially violated,
 - (d) if he or she deems that the fulfilment of the obligations of the Company and the safekeeping of the valuables entrusted to it are not ensured, or
 - (e) upon establishing that the internal audit systems of the Company are fraught with severe insufficiencies or deficiencies,
 - (f) a considerable difference in opinion evolves between the auditor and the management of the Company in respect of issues pertaining to the solvency, revenues, data supply or accounting of the Company, having a major impact on the operation of the Company.

Article 11
Senior executives

- 11.1 Senior executives of the Company: the Chairperson and the members of the Board of Directors, the Chairperson and the members of the Supervisory Board, the Chief Executive Officer and the deputies thereof.

- 11.2 Senior executives shall forthwith report to the Chief Executive Officer the following:
- (a) if they have a major holding or controlling interest in a business,
 - (b) if any of their close relatives have a major holding or controlling interest in a business,
 - (c) if a reason for disqualification have occurred after their appointment that prohibits the occupation of the executive position.

Article 12

Financial reports and distribution of the profit

- 12.1 The business year shall coincide with the calendar year. The first business year of the Company shall start on the first working day following the receipt of the operating license issued by the Authority and ends on December 31 of the same year.
- 12.2 The Board of Directors shall submit to the Shareholders' Meeting the balance sheet for the previous business year, together with its own report, and the reports of the Supervisory Board and the auditor.
- 12.3 After effecting the deductions and generating the provisions stipulated by the prevailing Hungarian legal regulations and concurrently with the approval of the report prepared pursuant to the Accounting Act – at the recommendation of the Board of Directors, approved by the Supervisory Board – the Shareholders' Meeting may approve the payment of a dividend.
- 12.4 The payment of the dividend shall commence within 60 days following the adoption of the relevant resolution of the Shareholders' Meeting.
- (a) Dividend payment shall be subject to the effective entry of the holder of the registered share, in compliance with the provisions set forth in the Articles of Association, in the Book of Shares of the Company, and
 - (b) if dividend coupons have been furnished together with the shares, the coupon shall be handed over, and
 - (c) the holding of the shareholder may not violate the provisions of the prevailing legal regulations and these Articles of Association, which shall be verified by the Company prior to the payment of the dividend.
- 12.5 Shareholders shall be notified of the starting date of dividend payment and the place of payment, as well as the order of dividend payments, 15 days prior to the commencement of the payments.
- 12.6 The Company is not obliged to fulfil the request of a shareholder for dividend payment after the lapse of five years following the commencement of the dividend payment.

Article 13
Increase and decrease of the share capital

13.1 The share capital may be increased by the resolution of the Shareholders' Meeting.

The capital increase may be realised

- by way of issuing new shares or
- from the assets in excess of the share capital.

13.2 In the event that the share capital is increased by way of a public issue of new shares, the shareholders of the Company shall be granted pre-emptive subscription right as determined in the resolution of the Shareholders' Meeting.

The Company may also implement a private capital increase, whereby only the persons and shareholders designated by the Shareholders' Meeting having adopted the relevant resolution may subscribe new shares. If the persons and shareholders designated by the Shareholders' Meeting do not subscribe the amount of shares equal to the planned capital increase until the closing day of subscription, the share capital increase shall be regarded frustrated.

Capital increase by way of a private issue of new shares may take place by the issue of registered shares with a nominal value of HUF 100,000 each. The capital increase from the assets in excess of the share capital may be effected at the Shareholders' Meeting approving the report prepared pursuant to the Accounting Act.

13.3 The Company may decrease its share capital by way of a resolution of the Shareholders' Meeting, in the manner specified by law.

Article 14
Termination of the Company

14.1 The Company shall terminate operations, if

- the Shareholders' Meeting resolves on its termination without legal succession,
- the Shareholders' Meeting – with the permission of the Authority – resolves on its merger (amalgamation, consolidation) or de-merger,
- the court terminates the Company in the course of a liquidation procedure,
- the Company Registration Court declares the Company terminated,
- the Company Registration Court orders its deletion from the register,
- ordered so by an act of law.

14.2 The assets remaining after the settlement of debts and commitments shall be distributed among the shareholders in proportion to their holdings.

Article 15
Legal disputes

Any legal dispute that may arise in connection with these Articles of Association shall be referred to the exclusive jurisdiction of the Permanent Court of Arbitration Attached to the Hungarian Chamber of Commerce and Industry, which shall act in accordance with its own rules of proceedings. The procedure shall be conducted in the Hungarian language.

Article 16
Miscellaneous provisions

The provisions set forth in Act IV of 2006 and Act CXII of 1996 on Credit institutions and financial undertakings shall apply in respect of issues not regulated herein.

The amendments to these Articles of Association approved by Founder's Resolution No 6/2013., dated 27 March 2013 were drawn up, countersigned and consolidated with the original Articles of Association by

Dr. Balázs Hartlieb
Legal Counsel

Budapest, 27 March 2013