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Resolution number: H-PM-I-B-10/2020.

Based on the conclusion of thematic control at **OTP Bank Plc.** (registered office: 1051 Budapest, Nádor utca 16.) ("the Bank") by the National Bank of Hungary (registered office: 1054 Budapest, Szabadság tér 9., establishment: 1013 Budapest, Krisztina krt. 39.) ("MNB") the MNB passes the following

R e s o l u t i o n

- I. **The MNB obliges the Bank** to amend its internal risk assessment continuously, but no later than within **30 days** of the receipt of this decision, in order to comply with legal requirements, so that its internal risk assessment is in nature and amount of the business relationship or transaction order, based on the circumstances of the customer, product, service or asset used, proportionate to the nature and size of the Bank's activities, with special regard to cash-intensive activities.
- II. **The MNB obliges the Bank** - in order to comply with legal requirements - to review its reporting practices in the course of its activities on an ongoing basis, but no later than **60 days** after receipt of this decision, furthermore to develop such a set of internal regulations that ensure that repeated notifications are made fully and promptly at all times and that they are forwarded to the financial information unit.
- III. **The MNB obliges the Bank** - in order to comply with legal requirements – to develop, in the course of its activities, a management control methodology for the area of money laundering prevention on an ongoing basis, but no later than **90 days** after receipt of the decision, which ensures quality control of the work of screening staff when fulfilling their reporting obligations.
- IV. **MNB obliges the Bank within the framework of extraordinary reporting, to provide MNB:**
 1. within **30 days** of receipt of this decision, an internal audit report on the implementation of the measures taken by the Bank to reduce the risks posed by bag payment contracts and payments, as set out in the action plan prepared by the Bank during the thematic control, discussed by the Board of Directors and approved by the Supervisory Board; and the documents on which it is based and which support the implementation and monitoring of the measures.
 2. within **105 days** of the date of receipt of this decision, the internal audit reports on the implementation of operative points I-III of the present decision as discussed by the Board of Directors and approved by the Supervisory Board, and the supporting documents certifying the full control of the provisions of the above points I-III and the proper implementation of the measures described in these points.
- V. **MNB obliges the Bank to pay**
 1. 5,000,000,- HUF (i.e. 5 million Hungarian Forint), due to the violation of legislation referred to in point I. of the operative part of this decision,
 2. 4,000,000,- HUF (i.e. 4 million Hungarian Forint), due to the violation of legislation referred to in point II. of the operative part of this decision,
 3. 2,000,000,- HUF (i.e. 2 million Hungarian Forint), due to the violation of legislation referred to in point III. of the operative part of this decision,

all together the Bank is obliged to pay **11.000.000,- HUF (i.e. 11 million Hungarian Forint)** as a supervisory fine towards MNB.

The Bank is obliged to publish the operative part of the present resolution on its website immediately.

No procedural charges have incurred during the supervisory procedure.

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The imposed fine has to be paid to the account number 19017004-01678000- 30900002 of the MNB within 30 days after this resolution becoming enforceable by indicating „supervisory fine” as a comment and the number of the resolution. In event the deadline for the payment of the supervisory fine is missed, default interest will be charged, the extent of which will be calculated at the rate of 365th of the double of the central bank rate in effect on the date of imposition after every calendar day following the date of. In the absence of the voluntary payment of the fine, the rules of administrative enforcement are applied. In the event the deadline for the payment of the supervisory fine is missed, default interest will be charged, the extent of which will be calculated at the rate of 365th of the double of the central bank rate in effect on the date of imposition after every calendar day following the date of imposition. The default interest has to be paid to the cited account of the MNB by indicating the number of the resolution and the comment “default interest”. The tax authority shall enforce the fine imposed and unpaid in the MNB’s final decision in a manner of taxes, as well as the default interest due to the fact of unpaid or overdue fine.

No appeal can be made against the resolution, however, at the same time, whose rights or legitimate interests are directly affected by the administrative activity, may initiate administrative lawsuit at the Budapest-Capital Regional Court against the resolution within 30 days of the publication of the decision citing violation of law through the assistance service of form’s submission (webpage of the assistance service of form’s submission: <https://www.mnb.hu/felugyelet/engedelyezes-es-intezmenyfelugyeles/hatarozatok-es-vegzesek-keresese>.) Legal representation is mandatory.

The submission of the application has no suspensory effect on the entry into force of the decision, but the person whose rights and legitimate interests are violated by the administrative activity or the maintenance of the situation caused, may request immediate legal protection in order to remedy the imminent disadvantage, to temporarily settle the disputed legal relationship or to maintain the status quo.

The court will, in principle, decide the trial out of court. The hearing will be taken, if the plaintiff requests in the application. There is no place for excuse, if the request is not be taken.

Special provisions are applicable to the procedures of the court and especially to the holding of court hearings during the state of emergency as declared by Government resolution number 40/2020. (III. 11.), Article 1.

Dated: Budapest, 12th June, 2020.