

Proposal for the amendment of the Bylaws of OTP Bank Plc

Summary of proposals

The amendment proposals concern the following aspects of the Bylaws:

Proposed amendments	2
1. Obligatory modifications related to the change in statutory regulations concerning the termination of the trading of shares listed on a regulated market (sections [8.18.], [8.33.4] and [9.13.b]) of the Bylaws)	2
2. Termination of the Audit Committee and the simultaneous modification of the regulations pertaining to the Supervisory Board (sections [8.33.15.], [11.1.], [11.11.] and [11/A. §] of the Bylaws)	3
3. Authorisation of the Board of Directors to modify the Bylaws within the scope permitted by the Companies Act (section [9.13.c]) of the Bylaws)	5

Typesetting of the recommendations

The text of the Bylaws is written in Times New Roman font, the new text is marked with double underlining, and the deleted text is marked with ~~strikethrough~~.

We recommend that the General Meeting vote in one voting session to amend the Bylaws.

Text of the resolution proposal:

“The General Meeting decides in respect of the amendment of the Company’s Bylaws by passing one resolution in accordance with the proposal of the Board of Directors.”

Proposed amendments

1. Obligatory modifications related to the change in statutory regulations concerning the termination of the trading of shares listed on a regulated market (sections [8.18.], [8.33.4] and [9.13.b]) of the Bylaws)

8.18. If the duly convened General Meeting still does not have a quorum in an hour after the starting time indicated in the invitation, the General Meeting that is reconvened for an hour later shall have a quorum in the matters that are listed on the original agenda, regardless of the number of persons attending. If a proposal is on the agenda of the General Meeting regarding the delisting of the shares on all regulated markets (hereinafter: total delisting) the reconvened General Meeting shall have a quorum with regard to this agenda item if the shareholders holding more than half of the votes represented by the voting shares are presented thereat.

8.33.4. The General Meeting has exclusive competence in the following matters:

...

4. ~~decision regarding the total delisting of shares list shares on and delist shares from the stock exchange;~~ (qualified majority)

In respect of the decision, shares that embody multiple voting rights shall represent one share.

~~The General Meeting may make a decision resulting in the delisting of the shares from the Budapest Stock Exchange (BÉT) if an investor (investors) agrees (agree) in advance to make a purchase offer that complies with the Listing and Trading Regulations of BÉT;~~

9.13.b).xv.) and xvi) The following matters in particular belong to the exclusive competence of the Board of Directors:

...

(xv.) decision on the listing of shares on a regulated market;

(xvi.) decision on delisting of shares on a specific regulated market, provided that the shares are admitted to trading on any another regulated market (hereinafter: transfer).

Explanation of section 1 of the motion

The purpose of the proposed amendment is to comply with the obligation under Article 408 (2) of Act CXX of 2001 on Capital Markets (hereinafter: Capital Markets Act) as amended by Act CLIX of 2010 on the amendment of certain laws of a financial regulation. The provision stipulates that the issuer of a share that is listed on a regulated market must amend its bylaws no later than at the General Meeting that approves the annual financial statements following 1 January 2011 in order that it should comply with the amended provisions of the Capital Markets Act. Upon the legislative amendment entered into force, the Capital Markets Act regulates two forms of terminating the trading of shares listed on a regulated market (stock exchange).

(i) In the event of total delisting, the trading of the shares is terminated on all regulated markets. The General Meeting is entitled to make a decision regarding

the total delisting with an at least three-fourths majority if the shareholder holding more than half of the votes represented by voting shares attends the General Meeting. A special rule is that in respect of the decision, shares that embody multiple voting rights shall represent one vote. Reference to the stock-exchange regulation may in this case be deleted, in view of the fact that the detailed rules on total delisting and on the right of the shareholder to sell the shares are regulated by the Capital Markets Act.

ii) In the event of a transfer, the trading of the shares concerned are discontinued only on the given regulated market, provided that the share is traded in another regulated market. The Board of Directors is entitled to make a decision concerning the transfer. In order to ensure that the Board of Directors can actually exercise this right in the future, it is necessary that this body be able to make a decision regarding the listing of the shares on a regulated market.

2. Termination of the Audit Committee and the simultaneous modification of the regulations pertaining to the Supervisory Board (sections [8.33.15.], [11.1.], [11.11.] and [11/A. §] of the Bylaws)

8.33. The General Meeting has exclusive competence in the following matters:

...

15. ~~(deleted) electing and recalling, and determining the remuneration of, the members of the Audit Committee;~~

11.1. The Supervisory Board supervises the management of the Company.

The Supervisory Board may have 5~~3~~ - 9 members.

11.11. Minutes must be taken of the meetings of the Supervisory Board. With respect to the decisions that are made when exercising the competences that are stipulated for the Audit Committee in Article 311 (2) of the Companies Act and Article 62 (3) of the Capital Markets Act, the votes of the independent members of the Supervisory Board must also be recorded in the minutes separately and they must be disclosed to the shareholders with respect to the matters on the agenda of the General Meeting. The Supervisory Board must hold meetings on at least 6 occasions each year. The meeting must also be convened if this is requested by a member of the Supervisory Board, at least by two members of the Board of Directors, or by the auditor, in writing, with an indication of the reason and the purpose.

Article 11/A

The Audit Committee

~~11/A.1. The General Meeting elects an Audit Committee consisting of 3-5 members from among the independent members of the Supervisory Board for the performance of the tasks specified in Article 311 (2) of the Companies Act. The Audit Committee elects a chairman from among its members. The Audit Committee has a quorum if more than half of its members are present. The~~

~~Audit Committee passes its resolutions by a simple majority of the votes of those present.~~

~~11/A.2. The detailed rules of the Audit Committee's operation are contained in its rules of procedure which are approved by the Supervisory Board.~~

~~11/A.3. Membership in the Audit Committee is terminated by:~~
~~a.) resignation;~~
~~b.) recall;~~
~~c.) termination of membership in the Supervisory Board;~~
~~d.) losing "independent" status as specified in section 11.2.~~

~~11/A.4. If according to the law a Company does not have to have an Audit Committee, the Company's Audit Committee shall cease to exist on the day that this legislation takes effect, and simultaneously the provisions of the Bylaws pertaining to the Audit Committee shall lose their effect.~~

Explanation of section 2 of the motion

According to Article 66 (8) of Act CXII of 1996 on Credit Institutions and Financial Enterprises, in the case of credit institutions that are publicly listed companies, the bylaws of the company may stipulate that establishing an Audit Committee is not obligatory, provided that the provisions pertaining to the composition of the Supervisory Board, conflicts of interest between its members, as well as its competence, comply with the statutory provisions of the Companies Act pertaining to audit committees. Under Article 62 (5) of Act CXX of 2001 on the Capital Markets, the establishing of an audit committee is not obligatory if the issuer of the securities that are listed on a regulated market has a corporate body whose members satisfy the conditions set out in Article 62 (2) and the body is responsible for performing the tasks specified in Article 62 (3). In this case the issuer must announce on the website of the Supervisory Authority and on its own website the name of the body that performs the tasks specified in Article 62 (3) of the Capital Markets Act as well as the composition of the body.

The objective of the proposed amendment is to simplify the organisation of the Company through compliance with the statutory regulations. Currently, the membership of the Audit Committee is made up of the non-executive members of the Supervisory Board. With regard to the additional duties of the Supervisory Board, and to ensure that the Company is able to consistently comply with the stipulations pertaining to independent members while the statutory conditions of employee advocacy and representation are met, the Bylaws should specify that the minimum number of the members of the Supervisory Board is 5. The amendment stipulates that the votes cast by the independent members in respect of decisions that are specified in the Companies Act and in the Capital Markets Act as belonging to the competence of the Audit Committee should be recorded separately.

3. Authorisation of the Board of Directors to modify the Bylaws within the scope permitted by the Companies Act (section [9.13.c]) of the Bylaws)

- c) The Board of Directors Board shall, within its exclusive competence, be entitled:
- i.) to decide, in the cases specified in the Companies Act, to accept the Company's interim balance sheet, with the preliminary approval of the Supervisory Board;
 - ii.) to decide, instead of the General Meeting, to pay an advance on dividends, with the preliminary approval of the Supervisory Board,
 - iii) to make decisions regarding any change in the Company's name, registered office, sites, branches and the Company's activities – with the exception of its core activity – and in relation to this, to modify the Bylaws if it is necessary to do so on the basis of the Companies Act or the Bylaws.

Explanation of section 3 of the motion

In accordance with Article 18 (3) of the Companies Act, the Company's Bylaws may authorise the Board of Directors to change the Company's name, registered office, sites and branches as well as the Company's activities – with the exception of the core activity – and in relation to this, to change the Bylaws as well. The modification of the Bylaws in this respect is necessary only if the modification that is decided by the Board of Directors affects the content of the Bylaws. The purpose of this proposal is to specify in the Bylaws this authorisation granted to the Board of Directors.

Normally, the General Meeting is entitled to make a decision regarding the modification of the Bylaws. However, maintaining such a rule is not justified in respect of the simplest modifications that are technical in nature, such as a change in the company name, registered office, sites and branches as well as reducing or expanding the Company's scope of activities. This proposal wishes to introduce a rule to simplify the operation of the Company, by stating that the Bylaws authorise the Board of Directors to make these decisions (with the exception of changing the core activity). As a result of this, the Company should be able to save on the costs of convening and holding the General Meeting, and may be able to eliminate superfluous administrative activities when making decisions that are essentially technical in nature.

Text of the motion:

“The General Meeting accepts the modification of sections [8.18.], [8.33.4], [9.13.b)], [8.33.15.], [11.1], [11.11.] and [11/A.], as well as section [9.13.c)], of the Company's Bylaws in accordance with the proposal, in accordance with the annex to the minutes of the General Meeting.