

Proposal to modify the Bylaws of OTP Bank Plc.

Summary of proposals

With regard to modifying the Bylaws, two resolution proposals will be presented to the General Meeting, which will be voted on separately:

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Typesetting of the recommendations

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

Resolution proposal 1

1. Limitation on voting rights and determining a quorum (first paragraph of section 6.4. and section 8.17. of the Bylaws)

“6.4. During the period from 25th of April, 2009 to 30th of April, 2011 (including the first and the last days of the period) no one shareholder or group of shareholders may exercise a right to vote that is in excess of 10% of the voting rights which are linked to shares issued by the Company and which entitle their holder to vote at the General Meeting. On the 1st of May, 2011 or following this day the extent of voting rights exercised directly or indirectly by any individual shareholder or group of shareholders may not exceed 25% –or in case the voting rights of another shareholder or group of shareholders exceed 10% – it may not exceed 33% of the total voting rights represented by the shares entailing voting rights at the General Meeting of the Company.”

“8.17. The General Meeting shall have a quorum if shareholders representing more than half of the votes embodied by shares entitling their holders to vote are in attendance. When establishing the quorum, the limitations specified in section 6.4. must be observed in a way such that the portion of any shareholding that is in excess of the maximum of votes specified in section 6.4. shall not be taken into account.”

Explanation: *The currently effective Bylaws limit the voting rights that may be exercised by any one shareholder or one shareholder group at 25% or 33% of the shares entitling their holder to vote.*

At the same time, under the current financial and economic conditions taking into account the actual share prices, significant restructuring of shareholder base could emerge. In view of this fact, the voting restriction should limit the extent of the voting rights that may be exercised by any one shareholder or shareholder group at 10% of the total number of shares entitling their holder to vote. This will ensure that no single shareholder or shareholder group has excessive decision-making power when decisions are made at the General Meeting. In addition, the modified limit on voting rights should be effective for only a definite period, following the two year period the current 25% or 33% cap on influence will be enforced automatically. At the same time as that the limit on voting rights is modified, the rules of establishing a quorum must also be clarified.

Resolution proposal 2

1. Greater compliance with the BSE's Corporate Governance Recommendations (BÉT FTA) (sections 6.5., 8.33.1. and 8.33.20 of the Bylaws)

“6.5. The Company shall publish the minutes of the General Meeting at the same time that they are submitted to the company court, in compliance with section 15. Any shareholder may ask the Board of Directors for a copy or an extract of the minutes. Upon the written request of the shareholder, the Company shall send the shareholder the individual documents related to the General Meeting (invitation, proposal, comments, resolutions, and minutes) electronically.”

“8.33. The following fall within the exclusive competence of the General Meeting:

1. in the absence of a provision in the Companies Act to the contrary, the formulation and amendment of the Bylaws; (qualified majority); the General Meeting shall make a decision about the recommendations concerning the amendment of the Bylaws – either individually or en masse – based on the resolution of the shareholders passed with a simple majority;
20. a non mandatory decision concerning the guidelines and framework for a long-term salary and incentive scheme for executive officers, Supervisory Board members and executive employees; (Remuneration Guidelines)”

Explanation: *Ensuring the fullest compliance possible with the BÉT FTA is extremely important for the Bank, and therefore we recommend modifying section 6.5., which stipulates that the documents of the General Meeting be sent electronically. In addition, it is also necessary to modify section 8.33.1., which clearly provides the General Meeting with an option to decide on the proposed amendments to the Bylaws either collectively (en masse) or on an individual basis. With modification of point 8.33.20 become obvious, that the Annual General Meeting is authorized to determine the Remuneration Guidelines.*

2. Other substantive amendments

a) Convertible and preference bonds (section 8.33.10. of the Bylaws)

“8.33. The following fall within the exclusive competence of the General Meeting:

...

10. decision – unless the Companies Act stipulates otherwise – on the issuance of convertible or preference bonds;”

Explanation: *Neither the Companies Act, nor the Credit Institutions Act, nor any other act for that matter, stipulates that a qualified majority decision is required to raise the capital in this manner. As is the case with all other decisions concerning the raising of the capital, this would also be subject to a simple majority decision.*

b) Deputy Chairman of the Board of Directors (Sections 9.4., 9.13. b) ii) and 10.2. of the Bylaws)

“9.4. The Board of Directors shall elect a chairman and may elect a deputy chairman from among its own members, whose mandate shall be of the same period as that of the Board of Directors. The chairman of the Board of Directors is at the same time the chief executive officer (Chairman and CEO) of the Company.”

9.13.b)ii.) Electing the deputy chairman of the Board of Directors;

10.2. In his absence, the Chairman and CEO shall be substituted in his capacity of chairman of the Board of Directors by the deputy chairman (or by the designated member of the Board of Directors) and in his capacity of chief executive officer, by the designated deputy chief executive officer, with the proviso that the vested authority of the substitutes shall not extend to the exercising of employer’s rights.

Explanation: *This amendment allows the Board of Directors to elect a deputy chairman from among its members, should it consider this necessary. In relation to this, it is necessary to appropriately amend the provisions pertaining to the substitution of the Chairman and CEO as well.*

c) Authorisation of the Board of Directors with regard to the raising of the capital and the rules pertaining to the raising of the capital (sections 14.1.-14.4. of the Bylaws)

“14.1. The Company may raise its equity capital through a resolution of the General Meeting. The equity capital may be raised by any means specified in the relevant statutory regulations, especially

- a) by issuing new shares;
- b) to the charge of net assets in excess of existing equity capital;
- c) by issuing employee shares; and/or
- d) as a contingent equity-capital increase, by issuing convertible bonds.

The new shares or bonds may be issued by way of either a private or a public offering.

In the framework of a capital increase through the issuance of new shares, shares belonging to the share type or share class that the Company is eligible to select under the relevant laws may be issued.

The types and methods of capital increase defined herein may be decided upon and implemented simultaneously.

14.2. If the capital is raised from net assets not in excess of equity, then – in each and every case – the method and date of payment in respect of the new shares must be regulated in the resolution pertaining to the capital increase in such manner that in the event of a capital increase through the subscription of new shares the subscribed amount shall be paid to the Company simultaneously with the subscription.

If the shareholder does not make the due payment at the time of the subscription, the subscription to the shares shall be null and void.

14.3. The Company may also raise capital through a private placement. In such case only the persons and shareholders specified in the resolution that orders the capital increase shall be entitled to subscribe to the new shares, and in this event the relevant provisions of the Capital Markets Act pertaining to private placements shall be applied as appropriate.

14.4. Deleted

Explanation: *The Board of Directors was authorised by the annual General Meeting of 2004 to raise the capital in accordance with the statutory regulations effective at the time. This authorisation will expire on 29 April 2009.*

In the meantime, the legislative regulations pertaining to such authorisation have changed: contrary to the old Companies Act, the new Companies Act stipulates that the authorisation may not be granted in the Bylaws, but only in a separate resolution of the General Meeting. For this reason, section 14.4. of the Bylaws must be deleted, and section 9.13. must be modified slightly (see section 4. b) of this proposal).

At the same time, this amendment has drawn attention to the fact that the provisions of the Bylaws pertaining to the raising of the capital are not fully in harmony with the provisions of the Companies Act, and therefore section 14.1. needs to be modified in order to make it fully compliant with the Companies Act.

Besides this, it is also recommended that section 14.2. be modified, so that it is fully in line with Section 10, paragraph (3) of the Credit Institutions Act, according to which deferred payment may not be permitted in the event of the sale of treasury shares.

In light of its content, the amendment specified in section 2. a) of this proposal must also be taken into account here.

d) Deleting the provision regarding the competence of the Court of Arbitration (section 16 of the Bylaws)

“Section 16: Legal Disputes

The Metropolitan Court of Budapest has exclusive competence in respect of any dispute between the Company and the shareholder regarding the corporate relationship between them, as well as in respect of the court review of the resolutions of the General Meeting. The governing law of the dispute shall be Hungarian.”

Explanation: *The reason this amendment is justified is that by stipulating the exclusive competence of a regular court, the possibility of legal recourse against a court order is ensured; something that is not available in the case of a court of arbitration.*

3. Amendments due to legal or factual changes

a) The Bank's core activity (section 4 of the Bylaws)

“Section 4

The Company's core activities

TEÁOR 64.19 Other financial intermediation”

Explanation: *According to the currently effective provisions of the Companies Act and the Company Registration Act, it is sufficient to indicate only the core activity of the company in its bylaws, and for the same reason section 4. should be simplified and would in the future contain only the Bank's core activity while the non-core activities and their official business-activity numbers (TEÁOR codes) would be deleted.*

b) Amendments based on changes in, and the going into effect of, the Companies Act, the Capital Markets Act and the Investment Services Act

(i) Reporting the acquisition of a 2% stake in the Bank (second paragraph of section 6.4 of the Bylaws)

“The shareholder shall immediately report to the Company's Board of Directors if he/she, directly or indirectly, or together with shareholders within the same shareholder group, holds at least 2% of the Company's shares entitling their holder to vote at the General Meeting. At the same time, the shareholder shall identify the shareholders, or the members of the shareholder group, through whom the shareholder possesses an indirect voting right. If no such report is submitted, or if it can be rightly assumed that the shareholder made a misleading statement in respect of the composition of the shareholder group, the shareholder's voting right shall be suspended and may not be exercised until the shareholder satisfies the above-mentioned requirements. Persons who are classified or may be classified as the Company's shareholders under Section 61 of the Capital Markets Act shall also be subject to the reporting obligation hereunder and to the legal consequences related thereto. The existence of conditions that would exempt the shareholder from the obligation to report, specified in Section 61 (7)-(8) and Section 61 (10)-(11)-(12), must be certified for the Company.”

Explanation: *With respect to the amendment of Section 61 of the Capital Markets Act, certain rules of calculation and exemption pertaining to reporting the acquisition of a 2% stake in the Bank must be supplemented.*

(ii) Amendments required by the Companies Act, the Investment Services Act and the Capital Markets Act (Preamble of the Bylaws, sections 5.7.-5.8.; 6.6.; first paragraph of 8.4.; section 9.17.; section 13.6.c.; section 17.)

“which, in accordance with the provision of Act IV of 2006 on Incorporated Business Entities (hereinafter: Companies Act), Act CXII of 1996 on Credit Institutions and Financial Enterprises (hereinafter: Credit Institutions Act), Act CXX of 2001 on the Capital Markets (hereinafter: Capital Markets Act), and Act CXXXVIII of 2007 on Investment and Commodity Brokers and the Activities they may Perform (hereinafter: Investment Services Act), pertains to the general rules of the structure and operation of OTP Bank Plc. (hereinafter: Company) as was determined on the basis of the decision made by the Company’s founders and the resolutions of the Company’s General Meetings passed by a qualified majority, most recently in accordance with resolution no. [●]/2009 passed at the Company’s General Meeting of 24 April 2009.”

“5.7. The entity acquiring the share, after the share is transferred, may request the Board of Directors to register it in the Share Registry by submitting an application that contains the data specified in section 5.6 in a private deed bearing full probative force in accordance with Act III of 1952 on Civil Proceedings. The ownership certificate, which certifies the ownership of the share and is issued by the account-managing investment enterprise or credit institution, must contain the data specified in the relevant statutory regulations and must be attached to the written application and, furthermore, if the prior consent of the Hungarian Financial Supervisory Authority (hereinafter: Authority) is required, the permission of the Authority must also be attached.

5.8. The Board of Directors, after it receives the application specified in section 5.7 or after it receives the report submitted by the investment enterprise or credit institution that manages the securities account of the entity acquiring the share – which report must contain the data specified in section 5.6 – shall immediately register the shareholder in the Share Register after receipt of the report, in accordance with the provisions of these Bylaws, and in keeping with the limitation specified in section 8.4, if the acquisition of shares is lawful.

“6.6. The Company shall provide information about its operation and business matters to the shareholders and the capital markets at the General Meetings and/or by means of the announcements stipulated in the documentation of the General Meeting as well as in the Capital Markets Act, the Investment Services Act and the regulations of the Budapesti Értéktőzsde Zrt. (Budapest Stock Exchange Ltd., hereinafter: BSE). The Company’s books and other business documents are considered to be a business secret under the provisions of the Companies Act and only shareholders may have access to them.”

“8.4. The Company shall request an owner-matching procedure in respect of the General Meeting, as a corporate event, from the Central Clearinghouse and Treasury Closely Held Joint Stock Company (hereinafter: Keler Zrt.). The owner-matching procedure shall take place in the period between the 10th and 5th trading day prior to the General Meeting. The rules concerning the owner-matching procedure are contained in the effective regulations of Keler Zrt.”

„8.33.

21. Approval of the Corporate Governance Report;

“9.17. The members of the Board of Directors are subject to all obligations and prohibitions specified by the Credit Institutions Act, the Capital Markets Act, and the Investment Services Act in respect of senior executives and other senior office-holders.”

“13.6. A precondition for paying the dividend is that

...

c) the shareholder’s possession of shares does not violate the provisions of the relevant statutory regulations, which is determined by the Company prior to paying dividends.”

“Section 17: Miscellaneous

In matters not regulated in these Bylaws, the provisions of the Companies Act, the Capital Markets Act, the Credit Institutions Act and the Investment Services Act shall apply.”

Explanation: *Due to changes in the Companies Act, the Capital Markets Act and the Investment Services Act, a few minor amendments must be made to the Bylaws.*

c) Addresses of the members of the Board of Directors

“Section 18: Annexes: The members of the Board of Directors:

Dr. Sándor Csányi (mother’s maiden name: Amália Ballagó)
1121 Budapest, Laura út 26.

Mihály Baumstark (mother’s maiden name: Anna Engler)
8640 Fonyód, Magay u. 32.

...

Dr. Antal Pongrácz (mother’s maiden name: Edit Hazslinszky-Krull)
1037 Budapest, Vízmosság lejtő 3.

...

Dr. László Urbán (mother’s maiden name: Matild Kovács)
1112 Budapest, Cseresznye u. 24. II/7.”

Explanation: *Section 18. must be modified due to changes in the addresses of the members of the Board of Directors.*

4. Requirements to facilitate and clarify interpretation

a) Clarifying the General Meeting’s scope of authority (sections 8.33.13-15 of the Bylaws)

“8.33. The following fall within the General Meeting’s scope of authority:

...

- 13. authorisation of the Board of Directors to acquire the Company's own shares;
- 14. authorisation of the Board of Directors to increase the equity capital;
- 15. election, dismissal and determination of the remuneration of the members of the Audit Committee.”

Explanation: *In respect of the competence of the General Meeting, it is expedient to list in sections 8.33.13-15. as well the competences that the Bylaws currently only list in other sections.*

b) Clarifying the scope of authority of the Board of Directors (sections 9.13.b) vii.-viii of the Bylaws)

“b) The following especially fall within the scope of authority of the Board of Directors:

....

- viii.) decision to raise the equity capital under the conditions specified in the relevant resolution of the General Meeting;
- ix.) decision to acquire the company's own shares under the conditions specified in the relevant resolution of the General Meeting;”

Explanation: *In respect of the competences of the Board of Directors, it is expedient to list in section 9.13.b)viii.- ix. as well the competences that the current Bylaws only list in other sections.*

c) Numbering, abbreviations, definitions, references and outdated provisions in the Bylaws

The proposal, in addition to the sections mentioned in the other parts hereof, affects sections 1.1., 2.3., 5.2., 5.3., 5.4., 5.5., 5.6., 5.9., 5.10., 5.13., 6.1., 6.7., 7.2., 8.5., 8.7., 8.11., 8.13., 8.14., 8.21., 8.24., 8.30., 8.33., 8.34., 9.6., 9.13., 11.2., 11.6., 11.11., 11/A.1., 11/A.3., 12.7., 13.1., 13.5., 13.9., 14.5., 14.7., 14.9., 15 of the Bylaws. See the consolidated Bylaws.

Explanation: *A few outdated sections should be deleted, and the numbering of the Bylaws should be rendered uniform in order to facilitate referencing. Similarly, abbreviations, references and definitions should also be made consistent.*