

During the comprehensive review included consolidated supervision –that was carried out by the National Bank of Hungary (1054 Budapest, Szabadság Square 9., registered office: 1013 Budapest, Krisztina Street. 39.) (“**MNB**”) at OTP Bank Plc. (1051 Budapest, Nádor utca 16.) (“**Bank**”) the Financial Stability Council - acting on behalf of the MNB - passes the following

Resolution

- I.1. The MNB obliges the Bank to perform continually the qualification of its transactions in accordance with the regulations of the law, among which the Bank is required
 - a) to perform the requalification of transactions indicated in the justification of this resolution in consideration of the investigation’s statements and the current situation during the qualification after the receipt of this resolution but from 30/09/2016 at the latest, and the Bank is required to account the necessary amount of depreciation and to create the necessary amount of reserve;
 - b-c) to update continually the parameters of the depreciation but from 30/06/2017 at the latest and to sum up the depreciation in the future, based on the most recent available parameters, the Bank has to consider the recovery value of the underlying real estate during the measurement of the depreciation.
 - d) the Bank is required continually but from 30/06/2017 at the latest
 - to take care of the qualification of the client’s demands based on uniform principals in the consolidated report and accordingly the necessary depreciation has to be determined based on uniform principles;
 - to set out the depreciation’s IBNR model of the performing credit by taking into consideration the international accounting standards, and the results thereof has to be applied during the preparation of the consolidated report and in the unique annual report from adopting IFRS, too;
 - e) to ensure continually the application of the discounted cash-flow method stipulated by IFRS accounting policy but from 31/12/2016 at the latest, and to create method and process related to the creation of the cash-flow based discount depreciation.
- I.2. The MNB obligates the Bank to ensure continually but from 31/12/2016 at the latest the compliance with law related to payment to income index, and in that connection the Bank should sum up only such elements of income which are allowed by law, and the Bank can approve credit request in cases allowed by law.
- I.3. The MNB obliges the Bank to comply continually but from 30/09/2016 at the latest with its requirement related to data disclosure to the Authority, in that connection the Bank has to indicate only credit underlined by active combined product as combined credit’s amount.
- I.4. The MNB obligates the Bank continually but from 31/12/2016 at the latest
 - a) to perform the value assessment of the real estate collateral in accordance with the law;
 - b) to perform the monitoring of the commercial real estate’s value in accordance with the law;

- c) to determine the collateral value of the real estate collateral based on the internal regulation, in that connection the Bank has to ensure that the value of the real estate collateral does not exceed the market value of the real estate.

I.5. The MNB obligates the Bank to update its internal regulation related to investment by taking into consideration the effective legislation.

II. The MNB obligates the Bank to ensure continually that the undertakings and off-balance sheet items are fixed without delay in the accounts.

III. The MNB obliges the Bank continually but

- from 31/09/2016 at the latest

- a) to take care of the exact determination of the data manager's liabilities, personal liabilities, and availability of document related to the appointment thereof stipulated by law;
- b) to take care of the supervision and updating of its IT system as necessary but every two years at least;

- from 30/06/2017 at the latest

c) to ensure compliance with its internal regulations, in that connection the Bank can use data basis filled up with anonymized data upon testing, and the Bank has to apply regulations of legislation related to outsourcing in case of these companies, which have access to data of clients and data regarding bank or security secrecy;

d) to ensure the compliance with the provisions of legislation and internal regulations, in that connection the Bank has to take ensure that the software applied by the Bank is able to supply a logical protection – that is proportional to the security risk of the Bank- and integrity protection;

- from 31/12/2016 at the latest

e) to have a common, clear and retractable IT register related to its IT tools;

f-g) to take care of the protection of the IT system – that has to be proportional to the security risk of the Bank- and to comply with its related internal regulations, in that connection the Bank has to control the vulnerability of its Internet bank application with penetration tests, with special consideration of risks resulted in the using of the mobile medium.

h) to ensure the fireproof placement of the backup of its critical system to a separated place.

IV. The MNB obliges the Bank continually,

- a) to comply with its obligation related to data disclosure in conformance with the affected regulations;
- b) to keep its books and invoices in a prompt way which presents a fair view of the client's financial assets and total cash;
- c) to indicate the name and identifier of the trading venue on the issued acknowledgements after the performance of the orders

during its investing activities.

V. The MNB obliges the Bank continually, but

- from 30/09/2016 at the latest

a) to ensure the compliance of the definition of default applied by the Bank with the requirements of legislation;

b)-c) to assign risk weight stipulated by law to its non-performing exposures

d) to have such a process, procedure that can control the existence of the concluded insurance upon the residential and the commercial real estate collateral;

- from 30/06/2017

e) to take care of the identification, management, monitoring of the large exposure and the procedure of the data disclosure related thereto in conformance with the law.

VI. The MNB prescribes the Bank within the frame of special data disclosure obligation, to send the report of the internal auditor – that is negotiated by the Board of Directors and approved by the Supervisory Committee - related to the supervision of the performance of points I-IV. of the operative part to the MNB

a) in respect of points I.1. a), I.3., I.5., II., III. a-b), IV., V. a-d) of the operative part until 31/10/2016

b) in respect of points I.1. e), I.2., I.4., III. e-h) of the operative part until 31/01/2017

c) in respect of points I.1. B-D), III. c-d), V. e) of the operative part until 31/07/2017.

VII. The MNB obliges the Bank to pay fine in the amount of 42.000.000 (forty-two million) forints due to the violation of law stipulated in points of I.1. (i) b-e), I.2., I.3., I.4., I.5., II., III., V. of this resolution's the justification.

MNB draws the attention of the Bank to the fact that if the Bank does not perform its obligation set out in this resolution, or the performance of the Bank is not full, or there is a delay in performance, the MNB is entitled to apply measures ensured by legal provisions, including the imposition of fine.

During the proceedings procedural charges does not occur.

The imposed consumer protection 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 „consumer protection fine” as a comment and the number of the resolution.

In case of failing to perform the voluntary payment of consumer protection fine, provision on administrative enforcement has to be applied. In case the deadline for the payment of the consumer protection 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. No further payment of default interest is allowed to be charged due to the late payment.

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“. In case where the obligor fails to perform its payment obligation in due time, the payment obligation will be executed immediately. The due fine finally imposed by the MNB, and the default interest charged because of the due fine or late payment of the fine will be collected in way of tax by the state tax authority.

No appeal can be made against the resolution via administrative proceeding. The Client and, with respect to provisions concerning the other participant, that other participant of the proceeding related to primarily the respective provision should submit the resolution for review within 30 days from the publication of the decision citing violation of law by the Metropolitan Court of Administration and Labour. The statement of claim – to be addressed to the Metropolitan Court of Administration and Labour - should be submitted to the MNB in three copies or should be dispatched by registered mail. Metropolitan Court of Administration and Labour decides in the matter without a hearing, but upon request of any of the clients, a hearing shall be held. The Client can request to hold a hearing in the statement of claim or the defendant can request it in writing within 8 days from the receipt of the administrative body's counterclaim. In case of missing these deadlines, no application for extension may be submitted.

Budapest, 05/07/2016