

**STATUTES
OF
THE MAGYAR NEMZETI BANK**

Chapter 1 COMPANY DATA

1.1 Name of the company:

Magyar Nemzeti Bank

(hereinafter referred to as the MNB)

In accordance with Act CCVIII of 2011 on the Magyar Nemzeti Bank (hereinafter referred to as the MNB Act), the company name of the MNB need not be registered in the company register.

1.2 Registered office

The registered office of the MNB is at 8-9 Szabadság tér, Budapest 1054.

1.3 Legal status

The MNB is a legal entity operating as a company limited by shares. Under the terms of the MNB Act, the form of the company (closed company limited by shares) and/or its abbreviation need not be indicated in the company name of the MNB.

Chapter 2 REGISTERED CAPITAL AND SHARES OF THE MNB

2.1 Registered capital of the MNB

The MNB Act establishes the registered capital of the MNB.

The registered capital shall consist of 1, that is, one registered share, with a nominal value of HUF 10,000,000,000, that is, ten billion Hungarian forints.

2.2 Production of the MNB's share

2.2.1 The MNB's share is produced by printing. The share shall indicate:

- a) the MNB's company name and registered office;
- b) the shareholder's name;
- c) the date of issue, the amount of registered capital at the time of issue and the number of the share issued; and
- d) the signature of the Governor of the MNB as stipulated by the regulations on corporate signature.

2.2.2 The legal provisions on the destruction of securities shall be applied in the event of the loss of or damage to the share. In the event of the share being damaged, the MNB shall issue a new share, corresponding to the damaged share, upon the request and at the cost of the shareholder.

Chapter 3 SHAREHOLDER OF THE MNB

3.1 Shareholder of the MNB

The share of the MNB is owned by the Hungarian State. The Hungarian State as a shareholder (hereinafter referred to as the Shareholder) is represented by the Minister responsible for the Budget (hereinafter referred to as the Minister) (registered office: H-1051 Budapest, József Nádor tér 2-4.).

3.2 Shareholder Resolution

- 3.2.1 Pursuant to the MNB Act, the MNB shall operate without a General Meeting. In issues falling under its exclusive competence, the Shareholder shall take its decisions in writing (hereinafter referred to as the Shareholder Resolution).
- 3.2.2 The Shareholder shall, under its exclusive competence:
- a) establish and amend the Statutes;
 - b) elect and dismiss the Auditor;
 - c) establish the Auditor's fee
- 3.2.3 The Executive Board informs the Shareholder by submitting the financial statements drawn up by itself, with an auditor's opinion attached.

Chapter 4 MONETARY COUNCIL

4.1 Legal status of the Monetary Council

The Monetary Council (hereinafter referred to as the 'Council') is the main decision making body of the MNB, with powers laid down in the MNB Act.

4.2 Composition of the Council

4.2.1 The Council shall consist of at least 5 (five) and at most 9 (nine) members.

4.2.2 Members of the Council comprise:

- a) the Governor of the MNB as the Chairman of the Council;
- b) the Deputy Governors of the MNB;
- c) other persons appointed by Parliament.

4.2.3 Every year, at its first meeting, the Council elects, by simple majority of votes of the members present, the Deputy Chairman of the Council from among the Deputy Governors of the MNB. In the event the appointment of the Deputy Chairman expires, the Monetary Council shall, at its subsequent meeting, elect a new Deputy Chairman.

4.3 Powers of the Council

The powers of the Council are governed by the MNB Act and the Internal Rules of Procedure of the Council (hereinafter 'Rules of Procedure').

4.4 Rules of Procedure of the Council

The Council shall define its own Rules of Procedure within the limits determined by the MNB Act and other laws.

4.5 Meetings of the Council

The Council shall meet as frequently as required, but at least once a month. These ordinary meetings and any extraordinary meetings convened at different dates shall be convened and chaired by the Chairman. Any member of the Council may request the Chairman to convene a meeting.

Chapter 5 THE GOVERNOR

- 5.1 The MNB is headed by the Governor. The Governor of the MNB carries out duties defined by law, in the Statutes and the resolutions of the Monetary Council and the Executive Board. The Governor of the MNB decides on issues not referred to the authority of the above bodies of the MNB.
- 5.2 If the Governor of the MNB is prevented from carrying out his duties, he shall be substituted by the Deputy Chairman of the Council, except when issuing a decree. The Deputy Governor designated by decree shall substitute the Governor of the MNB for the issue of a decree.

Chapter 6 EXECUTIVE BOARD

6.1 Legal status of the Executive Board

The Executive Board is responsible for implementing the decisions of the Council and managing the operation of the MNB.

6.2 Members of the Executive Board

6.2.1 Members of the Executive Board:

- a) Governor of the MNB, as chairman of the Executive Board, and
- b) Deputy Governors of the MNB.

6.2.2 The chairman acts on behalf of the Executive Board. Pursuant to Article 21 of Act IV of 2006 on Business Associations (hereinafter 'Companies Act'), members of the Executive Board are deemed to be executive officers.

6.3 Powers of the Executive Board

6.3.1 The powers of the Executive Board are governed by the MNB Act and the rules of procedure of the Executive Board.

6.3.2 The rules of procedure approved by the Executive Board set out the division of duties and authority between members of the Executive Board in accordance with Article 243 (2) of the Companies Act.

6.4 Rules of Procedure

The Executive Board independently defines its Rules of Procedure in accordance with the MNB Act, other legislation and the Statutes hereunder.

6.5 Meetings of the Executive Board

The Executive Board holds meetings with the necessary frequency. It holds regular meetings in accordance with meeting times determined in advance in its work schedule. The chairman convenes and chairs the above regular meetings and extraordinary meetings - convened at times other than specified in the work schedule - of the Executive Board.

Chapter 7 SUPERVISION OF THE MNB

7.1 State Audit Office (hereinafter referred to as 'ÁSZ')

The powers to control the MNB shall be governed by the Act on the State Audit Office.

7.2 Auditor

7.2.1 The Auditor of the MNB shall be appointed for a maximum of 5 (five) years and shall not be re-appointed within 5 (five) years after his mandate has expired.

7.2.2 The Governor of the MNB shall consult with the President of the ÁSZ before the appointment and the dismissal of the MNB's Auditor is proposed. The Governor of the MNB, acting on behalf of the Executive Board, shall propose to the Shareholder to appoint the Auditor with the agreement of the Supervisory Board.

7.2.3 The Auditor shall verify the fairness and legal compliance of the Financial Statements prepared in accordance with the Accounting Act, and check the consistency of data contained in the business report and annual report. The Auditor shall issue an opinion on budgeted and actual operating and investment costs in relation to the comparative analysis prepared by the MNB in accordance with Article 31 (4) of the MNB Act, doing so for the first time on the 2012 financial year, and on an annual basis thereafter. The Auditor shall submit to the Executive Board a written report containing his findings and opinion concerning these issues.

The Auditor may:

- a) review the MNB's books;
- b) request information from the senior officers and employees of the MNB;
- c) examine the cash, securities, the contracts and the bank account of the MNB.

7.2.4 The Auditor shall not disclose any state secrets, bank secrets, securities or business secrets that come to his knowledge in relation with his duties. This confidentiality obligation shall remain in force following the termination of his mandate.

7.3 Supervisory Board

7.3.1 Legal status of the Supervisory Board

7.3.1.1 The Supervisory Board is the body responsible for the continuous supervision of the MNB on behalf of the owner.

7.3.1.2 The internal audit organisation of the MNB shall be controlled by the Supervisory Board with the restrictions referred to in Article 50 (3) of the MNB Act or by the Executive Board in matters outside the competence of the Supervisory Board.

7.3.1.3 The competence of the Supervisory Board shall not include the tasks described in Article 4 (1)-(7) of the MNB Act, and the impact of such tasks on the profit and loss of the MNB. The Supervisory Board shall prepare the statutory report provided for in the Companies Act in accordance with these restrictions.

7.3.1.4 The Supervisory Board may request information in issues pertaining to its scope of authority from the executive officers and the Managing Director(s) either verbally or in writing. Such requests shall be answered by the person so requested or the person appointed by him/her, in writing in 5 working days, and possibly also verbally at the subsequent meeting of the Supervisory Board.

7.3.2 Composition of the Supervisory Board

Members of the Supervisory Board shall include:

- a) the Chairman, elected by Parliament,
- b) additional three members elected by Parliament,
- c) the representative of the Minister,

d) the consultant appointed by the Minister.

7.3.3 Rules of Procedure of the Supervisory Board

Pursuant to the MNB Act and other legal provisions and the provisions of these Statutes, the Supervisory Board shall establish its own rules of procedure, which shall be approved by the Shareholder in a Shareholder Resolution.

Chapter 8 CORPORATE SIGNATURE, REPRESENTATION AND THE EMPLOYER'S POWERS

8.1 Signatories and corporate signature

No signature on behalf of the MNB shall be valid or binding unless made as follows: the Governor of the MNB shall sign his name under the typed, hand-written, stencilled or printed name of the company or alternatively, any two employees authorised to sign on behalf of the MNB shall jointly sign their names as above.

8.2 Corporate signature on securities

As far as the issuance of securities is concerned, the above provision shall be modified to the extent that, subject to the legal provisions on the printing of securities, the name of the MNB and the signature of the Governor of the MNB made in accordance with the rules on corporate signature may also be reproduced by a typographic process.

8.3 Corporate signature on banknotes

Banknotes shall be signed jointly by the Governor of the MNB and two Deputy Governors; their signatures made in accordance with the rules on corporate signature shall be reproduced on the banknotes by a typographic process.

8.4 Representation

The MNB may be represented in front of third parties by the Governor in any matter and by the Deputy Governors and the Managing Director(s) in the issues falling under their specific competence.

In specific types of issues, the Executive Board may vest MNB employees with representation rights.

8.5 Employer's rights

With the exception of the powers concerning the appointment and dismissal of Deputy Governors and the establishment of their remuneration, the Governor shall exercise the employer's rights over the Deputy Governors, the Managing Director(s), the heads of the organisational units under his competence and the employees under his direct supervision, not pertaining to any specific organisational unit. The Deputy Governors and Managing Directors shall exercise the employer's rights over the heads of the organisational units under their competence and the employees under their direct supervision, not pertaining to any specific organisational unit. The heads of the organisational units shall exercise the employer's rights over the employees under their supervision.

Chapter 9 MISCELLANEOUS

9.1 Financial Year

The financial year of the MNB shall correspond to the calendar year.

9.2 Rules on Conflict of Interest

The rules on conflict of interest relating to the staff of the MNB are governed by Articles 54-55 of the MNB Act.

9.3 Information service

For the purpose of providing its customers with information, the MNB is entitled to issue

- a) announcements;
- b) statements; and
- c) information notices.

Chapter 10 ENTRY INTO FORCE

These Statutes shall enter into force on 28 March 2012.

Budapest, 31 January 2012¹

Dr György Matolcsy
Minister
for the Shareholder

Countersigned by:

Dr Orsolya Kerekes
Chief Legal Adviser

¹ The day these Statutes were drawn up and executed.