

14 June 2012

Announcement

FHB Mortgage Bank Co. Plc. (registered seat: Üllői út 48., 1082 Budapest, Hungary; hereinafter the "Company") informs its investors, that on 11 June 2012 the Metropolitan Court acting as the Court of Registration registered the amendments of the Statutes and other changes affecting data registered in the Company's Register resulting from the resolutions from the Annual General Meeting 2012 ("AGM").

The resolutions of the AGM are available in the official places of announcements of the Company.

The effective Statutes of the Company are as follows:

Statutes

STATUTES

Corporate name, corporate form, method of establishment, registered office and sphere of activities of the Company

1. Corporate name

FHB Jelzálogbank Nyilvánosan Működő Részvénytársaság

Foreign corporate names of the Company:

In English: FHB Mortgage Bank Co Plc.

In German: FHB Hypothekenbank AG.

Abbreviated corporate name of the Company: **FHB Nyrt.**

2. Registered office of the Company

1082 Budapest, Üllői út 48.

3. Type of the Company

According to its place taken within financial institutions, the Company is a mortgage credit institution, as specialized credit institution.

The Company operates as a public company limited by shares, that is, its shares are partially or wholly offered in public.

4. Sphere of activities of the Company

The sphere of activities of the Company carried out in HUF and/or foreign exchange is as follows:

Core business:

6492'08 Other lending

Within the above sphere of activities the Company carries out exclusively the following activities pursuant to Section 3 of Act XXX of 1997 on the Mortgage Banks and Mortgage Bonds ("Mortgage Banks Act"), namely:

- acceptance of repayable liquid assets from the public, not including deposit collection,
- provision of cash loan secured by mortgage established on a real property located on the territory of Hungary,
- provision of loans without the stipulation of mortgage in the case of assumption of joint and several suretyship by the state,
- assumption of suretyship and bank guarantee, and other banker's commitments.

Other business:

- 6499'08 Other financial mediation not included elsewhere
- trading activities pursuant to Section 81, subsection (1), paragraph b) of Act CXX of 2001 on the Capital Market ("Capital Markets Act"), in respect of foreign exchange swap transactions serving to cover the exchange risk of interest rate swap transactions and the foreign exchange sources thereof.

6619'08 Other financial supplementary activities

5. Field of operation

Within the frames of the legal rules in force and the relevant licences, the Company is entitled to carry out its activities or certain elements thereof, and to establish branch institutions or representative offices both in Hungary and abroad.

6. Term

The Company has been established for an indefinite period.

Registered capital, shares and shareholders of the Company

7. Registered capital

7.1 The registered capital of the Company is HUF 6,600,001,000 that is Six billion six hundred million one thousand Hungarian forints HUF, consisting of cash contribution only.

7.2 With the exception of the increase of the registered capital through the offering of new shares, the Company may also increase its registered capital even if the nominal value of not all of its shares issued earlier has been fully paid yet.

7.3. The General Meeting of the Company may resolve to authorize the Board of Directors to increase the registered capital. The authorization shall stipulate the maximum amount (approved capital) with which the Board of Directors may increase the Company's registered capital in total, over a period of not more than five years.

The authorization granted to the Board of Directors to increase the Company's registered capital at the same time authorizes and obliges the Board of Directors to take the decisions relating to the capital increase that would otherwise, by law or by the Statutes, be the competence of the General Meeting, including the amendment of the Statutes necessary because of the capital increase. The Board of Directors shall publish the resolution by the General Meeting containing the authorization in the Companies Gazette within thirty days from its adoption.

7.4 Upon the increase of the registered capital, the General Meeting or the Board of Directors may simultaneously also decide that the person(s) designated in the resolutions of the General Meeting or the Board of Directors shall solely be entitled to receive the new shares or, in the case of a conditional registered capital increase, the convertible bonds to be offered (private increase of registered capital).

7.5 The resolution of the General Meeting in connection with the increase of the registered capital or authorizing the Board of Directors to increase the registered capital, may only be adopted if at least a three-quarters majority of the shareholders of share series involved in the increase of the registered capital

gave their prior consent thereto according to the provisions set forth in Article 12.8. In the course of the above, the provisions applicable to the restriction or exclusion, if any, of the voting right attached to the share shall not apply.

- 7.6 A resolution may only be adopted by the General Meeting in connection with the reduction of the registered capital, with the exception of the case of compulsory reduction of the registered capital defined in Act IV of 2006 on Business Associations ("Companies Act"), if at least a three-quarters majority of the shareholders of share series involved in the decrease of the registered capital gave their prior consent thereto according to the provisions set forth in Article 12.8. In the course thereof, the provisions applicable to the restriction or exclusion, if any, of the voting right attached to the share shall not apply.
- 7.7 In the course of raising the Company's registered capital, the shareholders of the Company (and, within those, first of all the shareholders possessing shares belonging to the same share series as the newly issued shares) followed by the owners of convertible bonds shall have preferential subscription rights specified in the resolution of the General Meeting; in the case of a capital raise implemented within the competence sphere of the Board of Directors, these conditions are specified in the resolution issued by the Board of Directors.

Through the channels determined in the Statutes the Company shall inform the shareholders and holders of convertible bonds of the possibility and way of exercising the preferential rights to receive the shares including the nominal value and par value of shares that can be obtained in this fashion, as well as of the first and last day of the period available to exercise such rights, which period shall not be less than fifteen days.

Upon the written proposal of the Board of Directors, the General Meeting may, however, exclude the exercise of the preferential subscription right. The reasons for the motion aimed at the exclusion of the preferential subscription right, as well as the planned issue value of the shares shall be indicated in the proposal. The Board of Directors shall put the discussion of the proposal on the agenda in the invitation convening the General Meeting, as part of the item on the agenda concerning the increase of the registered capital, but prior to that. The General Meeting may not adopt a valid resolution on the increase of the registered capital unless a decision is made on the issue of exclusion of the exercise of the preferential subscription right. The Board of Directors shall make sure that the resolution of the General Meeting is submitted to the Court of Registration and at the same time is published in the Companies Gazette.

8. Shares

- 8.1 The registered capital of the Company is embodied by 66,000,010 (say sixty six million ten) registered shares at the face value of HUF 100 (say one hundred) each.
- 8.2 Division of the registered capital in a breakdown by share types and share classes:
- 66,000,010 (say sixty six million ten) pieces of series "A" ordinary shares at nominal value of HUF 100 (say one hundred forints) each, of a total nominal value of HUF 6,600,001,000 (say six billion six hundred million one thousand forints).
- 8.3 The printed shares of the Company have been converted into dematerialized shares in compliance with the legal rules applicable to securities, based on the decision of the General Meeting of 23 May 2003. The provisions of the legal rules in force from time to time shall govern the contents thereof. The Company must also issue, in one copy, a document not qualifying as securities, which contains the following:
- all content requirements of dematerialized shares defined in legal rules, with the exception of the holder's name,
 - decision on issue,
 - total nominal value of the full series issued,

- number and nominal value of the shares issued,
- signature of the chairman and the director general as two members of the Board of Directors.

9. Transfer and registration of shares

- 9.1 The ordinary shares of the Company may be freely transferred within the scope of the legal rules in force and the present Statutes; they may only be acquired and transferred in the manner defined in a separate legal rule, solely through debiting and crediting onto securities accounts.
- 9.2 The owner's quality of shareholders is certified by the entry in the register of shareholders of the Company; accordingly, a shareholder may exercise its shareholder's rights towards the Company only if it has been entered in the register of shareholders. The register of shareholders is kept by the Board of Directors.
- 9.3 Parties who
- (a) so provided and the person keeping the register of shareholders shall be obliged to delete the shareholder making a statement with such a content without delay;
 - (b) obtained a share of the Company in a manner violating the rules of the present Statutes applicable to share transfer
- may not be entered in the register of shareholders.
- 9.4 The Board of Directors of the Company, or its agent appointed in accordance with the legal rules applicable to securities, shall keep a register of shareholders, which contains at least the following data:
- name of shareholders and/or their proxies, as well as address, mother's name and citizenship in the case of natural persons, and registered office in the case of legal entities or unincorporated business associations;
 - if a share has several holders, data of holders and the joint representative;
 - number of shares of shareholders in a breakdown by share series;
 - securities code, as well as series and nominal value of shares;
 - type of shares;
 - date of share purchase;
 - date of entry of share purchase in the register of shareholders;
 - date of withdrawal and invalidation (cancellation) of shares;
 - file number and date of the supervisory decision related to the acquisition of ownership, if it is required for acquisition of ownership.
- 9.5. The shareholder shall be responsible for any damage caused to any person through providing untrue information in the course of the entry in the register of shareholders, or failed to fulfil its obligation of information laid down in Articles 9.6 and 9.7.
- 9.6. Any shareholder entered in the register of shareholders of the Company is obliged to notify the Board of Directors within 30 days in writing of any change in its address.
- 9.7. In cases where the ownership of a shareholder ceases by debit to the securities account, the account keeping financial institution shall notify the keeper of the register of shareholders to that effect within two banking days. Based on the notification the keeper of the register of shareholders must record the change in the register without delay.
- 9.8. The Company accepts the proprietary deposit certificate issued by the Central Depository and Clearing House (Budapest) Zrt. ("KELER Zrt."), as place of deposit and the securities account extract issued by KELER Zrt. for an appropriate date as certificate of the ownership of the share.

10. Rights and obligations of shareholders

10.1 Obligations of shareholders:

10.1.1 The responsibility of shareholders against the Company shall extend to the provision of the nominal value or issue value of the share. The shareholder shall otherwise not be responsible for the obligations of the Company.

10.1.2 During the existence of the Company, shareholders may not reclaim any pecuniary contribution made by them. With the exception of the case of reduction of the registered capital, it is prohibited to effect disbursements to shareholders on the basis of their membership legal relationship to the debit of the registered capital.

10.1.3 The provisions of Capital Markets Act shall apply to the acquisition of influence in the Company.

10.2 Rights of shareholders:

10.2.1 Shareholders are entitled to exercise their shareholders' rights in possession of the share and the holder's certificate defined in the provisions of legal rules applicable to securities. A holder's certificate is not required for exercising shareholders' rights in cases where eligibility is established through shareholders' verification under the Capital Markets Act. In addition to the foregoing, compliance with Article 12.1 is also required for exercising the rights of shareholders in connection with the General Meeting.

These rights may be exercised personally or by proxy (through a representative) or through a nominee under the Capital Markets Act. A member of the Board of Directors and of the Supervisory Board and the Company's senior employee may only proceed as representative, if such person as proxy has obvious and written voting instruction in each and every proposal given by the principal. The auditor of the Company and the property inspector (in Hungarian: "vagyongellenőr") of the Company may not be proceed as representatives. The shareholder may appoint a proxy to represent him at the General Meeting by returning the form included in Annex 1 or Annex 2 to the Statutes and supplied by the Company electronically or by mail. The form shall be returned as a private deed with full conclusive force not later than the end of the working day preceding the day of the General Meeting.

If the shares issued by the Company and owned by the shareholder are credited on different security accounts, such shareholder may authorize different persons acting as proxies with regard to the shares credited on different security accounts, however, different votes cannot be cast. If different votes were cast with regard to the shares of the same shareholder, all of such votes are invalid.

10.2.2 Shareholders may apply for crediting shares onto a securities account following payment of the total nominal value of their shares, or if the nominal value or the issue value are different, the payment of the total consideration of the latter.

10.2.3 Shareholders shall have a right to a share of the after-tax profits of the Company in proportion to the nominal value of their shares (dividend), pursuant to the legal rules of accounting, ordered to be distributed by the General Meeting.

Shareholders who are entered in the Company's Register of shareholders on the day determined by the General Meeting resolving dividend payment are entitled to receive dividend.

At least 20 business days shall lapse between the date of the decision providing for the initial date of dividend payment and the initial date of dividend payment.

10.2.4 In the case of the termination of the Company without a legal successor, shareholders are

entitled to a portion of the assets that may be divided as a result of final accounting in proportion to their shares.

10.2.5 Shareholders are entitled to attend the general meeting, to request information and to make remarks. The Board of Directors may refuse to provide information if it violated any bank and business secrets of the Company. Shareholders are entitled to make proposals and to exercise the rights provided by their shares.

10.2.6 Shareholders shall be entitled to the minority rights provided by the Companies Act (Gt.).

Organization of the Company

11. General Meeting

11.1 The General Meeting is the supreme organ of the Company.

11.2 The General Meeting shall be convened by the Board of Directors by means of an announcement published in the media determined by the Statutes, at least 30 days prior to the initial date of the General Meeting. The announcement shall contain the following:

- a) Corporate name and registered office of shareholders;
- b) Date and place of the General Meeting;
- c) Agenda of the General Meeting;
- d) The conditions stipulated in the Statutes for exercising voting right;
- e) The date as long as the name of the shareholder who intends to attend at the General Meeting or the authorized nominee could be registered into the register of shareholders;
- f) Information on the issues stipulated at Section 304 subsection (3) of the Gt.;
- g) Terms and conditions on exercising the right on requesting information and complementing the agenda of the General Meeting as defined in the Statutes;
- h) Information on the date, place and method of the access of the proposals and draft resolutions in connection with the agenda of the General Meeting; and
- i) The date and place of the repeated General Meeting in case the General Meeting has no quorum.

Shareholders who indicate in writing their preference to that effect shall also be sent electronic notification of the convocation of the General Meeting in addition to the announcement through the places of announcements, according to the Statutes of the Company.

The Company shall disclose the material data of the financial statement prepared under the Accounting Act, and of the reports of the Board of Directors and the Supervisory Board, the summary in connection with the numbers of the shares and of the voting rights at the date of the convocation (as well as the separate summary on the classes of shares), as well as the abstract of proposals to the agenda items and the draft resolutions at least twenty one days prior to the General Meeting according to the provisions of the Statutes of the Company on the publication of the announcements and official statements. If the shareholders exercised their rights determined in Sections 217 and 300 of the Gt. and it leads to the modification of the agenda of the General Meeting, such provision shall apply to the method of the disclosure of the amended agenda and the draft resolutions submitted by the shareholders.

11.3 If the General Meeting has been called in violation of the rules, it may adopt resolutions only in the presence of all shareholders entitled to vote, and only if none of the shareholders objects to the holding of the General Meeting.

11.4 Over and above the annual ordinary General Meeting, the Board of Directors shall convene an extraordinary General Meeting in the cases defined in legal rules, if the previous General Meeting or the Board of Directors adopted such a resolution, or if the holder (holders) of shares representing at least five

percent of votes so request indicating the reason and the purpose. The General Meeting may also be convened by the Supervisory Board in accordance with Article 15.12.

- 11.5 Shareholders may also exercise their shareholder's rights through representatives. The representative's authorization shall be valid for a General Meeting or a definite period of time, but not more than 12 months. The validity of the representative's authorization shall extend to the continuing of the suspended General Meeting and the General Meeting convened repeatedly as a result of lack of quorum. The power of attorney shall be submitted to the Company in the form of a public deed or a private deed with full probative force.
- 11.6 The General Meeting has a quorum if more than half of the shareholders representing the votes embodied by the shares authorizing to vote are in attendance. If the General Meeting has no quorum, the second General Meeting convened on a date defined in the original announcement shall have quorum regarding the issues included on the original agenda, irrespective of the persons in attendance. A General Meeting repeated due to the lack of a quorum may be reconvened, via the original announcement, for the day of the original General Meeting. Such announcement shall be issued at least ten days before the day of the repeated General Meeting.
- 11.7 The person requested by the Board of Directors shall proceed as chairman of the General Meeting. The mandate of the chairman of the General Meeting shall be valid for the given General Meeting as well as the repeated or continued General Meeting.
- 11.8 The Chairman may suspend the General Meeting not more than once. In such a case the General Meeting must be resumed within thirty days. In such instances the rules for the convocation of the General Meeting and election of its officers shall not be applied.

12. A Competence of the General Meeting, order of adoption of resolutions and exercise of the voting right

- 12.1 Each ordinary share of a nominal value of HUF 100 (say one hundred forints) shall give right to one vote at the General Meeting. At the General Meeting shareholders' verification is carried out as defined by the Capital Markets Act, the Stock Exchange Rules and in the Rules of KELER Zrt., and the turning date of owner's compliance may only fall on the period between the 7th and the 4rd stock exchange days proceeding the General Meeting. That shareholder may exercise his/her/its membership rights at the General Meeting, who – is the holder of the share – on the date shareholder's verification and whose name is entered in the register of shareholders at – (its closure) – 6.00 p.m. CET on the 2nd day proceeding the General Meeting.

Closure of the register of shareholders shall not limit the right of the holder entered therein to transfer shares after such closure. Nor does the transfer of shares before the day of opening of the General Meeting exclude the right of the holder on the register to participate in the General Meeting and exercise his shareholder's rights.

- 12.2 The General Meeting shall adopt a resolution on the matters included on the agenda in open voting, using a computerized vote counter, by producing the voting-paper, or in any other manner suitable for counting votes. In the absence of any different decision by the General Meeting, voting shall be effected in a breakdown by draft resolutions. The parties vested with the right of vote shall first vote about the amending draft resolutions, and then about the original draft resolutions. The proposal shall be considered rejected in case of tie. If tie exists in any issue in which a decision shall be taken, on a compulsory basis, through a provision of a legal rule, the issue must be included on the agenda again.
- 12.3 The following shall fall within the exclusive competence of the General Meeting:
 - a) establishment and amendment of the Statutes;
 - b) decision on the change of the form of operation of the Company;

- c) increase and reduction of the registered capital, including authorization of the Board of Directors to increase the registered capital, as contained in Articles 7.3 and 7.4;
 - d) decision on the merger and consolidation, merger, demerger of the Company with another company limited by shares, or its termination without a legal successor, or the transformation of the Company into another corporate form;
 - e) election, recall and establishment of the remuneration of the members of the Board of Directors;
 - f) election, recall and establishment of the remuneration of the members of the Supervisory Board
 - g) election, recall and establishment of the remuneration of the members of the Auditor;
 - h) *[Deleted]*;
 - i) acceptance of the report drawn up in accordance with the Accounting Act and making a decision on the use of after-tax profit;
 - j) decision on the payment of dividend and interim dividend, except for the case stipulated in 14.15.1 e);
 - k) change of rights attached to the individual share series, and transformation of the individual share types and classes;
 - l) decision making on the issue of convertible bonds or bonds providing subscription right;
 - m) decision on exclusion of the priority of subscription;
 - n) decision on the acquisition of own shares, unless the acquisition of own shares is required in the interest of avoiding any serious damage threatening the Company, and on the acceptance of a public bid received for own share;
 - o) decision on steps to disturb a public bid procedure;
 - p) approval of the Rules of Procedure of the Supervisory Board;
 - q) approval of the report on responsible corporate governance;
 - r) decision on preparing the establishment of a recognized group of companies and on the contents of the holding contract;
 - s) approval of the draft of the holding contract;
 - t) decision on the application for the cancellation of the shares of the Company from any stock exchange or subscription system, unless a shareholder who has at least a seventy-five percent voting right in respect of the share series intended to be cancelled exists, as in this case, the shareholder may decide himself/herself/itself on the cancellation of shares by a legal statement drawn up in a private deed with full probative force;
 - u) the approval of the guidelines of remuneration which shall be published on the official homepage of the Company within thirty days counted from its approval;
 - v) decision on all issues referred to the exclusive competence of the General Meeting by law or the Statutes.
- 12.4 The Company's Board of Directors shall be authorized to modify the registered office, the business premises, the branch offices or the scope of business – except for the core business – of the Company and to amend the Statutes of the Company accordingly.
- 12.5 In the matters specified in Article 12.3, paragraphs a), b), c), d), o), s) and t) the General Meeting shall make a decision with at least a three-quarters majority of the votes cast (qualified majority, 75% + 1 vote). In any other issues, the simple majority (50% + 1 vote) of the votes cast is required for adopting a resolution. Abstention shall qualify as „no“ vote.
- 12.6 The General Meeting shall adopt a resolution on all issues submitted to the General Meeting by the Board of Directors, the Supervisory Board or shareholders representing at least one percent of shares. Shareholders holding at least one percent of the votes are entitled to request that the Board of Directors put an item on the agenda of the General Meeting. Such a request must be submitted in writing within eight days from the announcement of the convocation of the General Meeting, with the cause stipulated. Shareholders who have minimum one per cent of the votes are entitled to submit draft resolutions in connection with the agenda.
- 12.7 A resolution of the General Meeting aimed at the transformation of the form of open operation of the Company into private, may be adopted if at least a three-quarters majority of shareholders who separately

represent not more than 1% of votes gave its prior consent thereto as indicated in Article 12.8.

- 12.8. In case the adoption of a resolution by the General Meeting shall be preceded by a prior procedure (Articles 7.5, 7.6 and 12.7), the Board of Directors shall call upon the shareholders of the Company in the announcement containing the invitation to the General Meeting to declare whether they give their consent to the planned change. The shareholders concerned shall send the position taken up by them to the registered office of the Company, in writing, addressed to the Board of Directors, until the deadline indicated in the announcement. Should a shareholder fail to make any statement within the time limit set in the announcement, the shareholder shall be considered as if he/she/it gave his/her/its consent to the planned amendment. Several consents may not be validly made on the basis of a given share.

13. Officers of the General Meeting and their work

- 13.1 The chairman of the General Meeting shall
- conduct the discussion in the order indicated in the announcement on the convocation of the General Meeting;
 - order the votes;
 - request a shareholder in attendance to authenticate the minutes to be taken in connection with the discussion and the resolutions.
- 13.2 Minutes shall be drawn up of the General Meeting, which shall contain the following:
- corporate name and registered office of the Company;
 - place and date of the General Meeting,
 - name of the chairman of the General Meeting, the keeper of the minutes, the certifier of the minutes and the person counting the votes;
 - important events and proposals made during the General Meeting;
 - resolutions, as well as the number of votes for and against such resolutions, and the number of those who abstained from voting;
 - information on the share of the registered capital represented by the votes;
 - objection of the shareholder, a member of the Board of Directors or of the Supervisory Board to a resolution if so requested by the objecting person.

The minutes shall be signed by the keeper of the minutes and the chairman of the General Meeting and authenticated by a shareholder in attendance and elected for that purpose.

14. Board of Directors

- 14.1 The Board of Directors is the managing body of the Company, and the members of the Board of Directors shall qualify as officers. Shareholders cannot vindicate the competencies of officers. As for the officers' responsibilities, the provisions of the Act on Business Companies shall prevail.
- 14.2 Natural persons may only be members of the Board of Directors. The Board of Directors consists of at least five and of not more than eleven members. The Board of Directors (directors) shall be elected by the General Meeting from among shareholders and other persons. At least two members of the Board of Directors shall be employed by the Company (hereinafter referred to as internal members). Furthermore, at least two members of the Board of Directors shall be Hungarian citizens, residents for foreign exchange purposes, and shall have permanent residence in Hungary for at least one year.
- 14.3 The managing directors of the Company may be elected as internal members of the Board of Directors. In the case of termination of employment of the internal members of the Board of Directors, the membership of the Board of Directors shall, simultaneously, cease to exist.
- 14.4 Those who acted as auditors of the Company or any other financial institution belonging to the Company

in the preceding three years may not be members of the Board of Directors.

- 14.5 Members of the Board of Director may not acquire shares in another business organization engaged in the same business as the Company, with the exception of shares of public limited companies [Civil Code Section 685 c)], and may not be officers of another business organization or cooperative engaged in the same business as the Company except with the approval of the General Meeting. Members of the Board of Directors, their close family members [Civil Code Section 685 b)], and civil partners may not engage in transactions, on their behalf or to their own benefit, which fall within the scope of business of the Company.
- 14.6 The mandate of the members of the Board of Directors shall last for five years from the date of their election. The members of the Board of Directors may be called back at any time and can be re-elected following the expiry of their mandate.
- 14.7 Members of the Board of Directors may waive their office at any time, but if so required by the operability of the Company, in particular if the actual number of the members of the Board of Directors fell below three, or the number of internal members fell below two as a result of resignation, resignation will only become effective on the sixtieth day reckoned from the announcement thereof, unless the General Meeting provided for the election of the new member prior to that.
- 14.8 The Board of Directors shall elect a chairman from among its members.
- 14.9 The chairman of the Board of Directors (in his/her absence, any member of the Board of Directors designated by him/her) shall organize the work of the Board of Directors, and shall provide for the effective operation thereof. Within the framework thereof, he/she shall, in particular:
- convene the meeting of the Board of Directors in writing, eight days prior to the date of the meeting, with the exception of the case of a decision that may not be postponed;
 - provide for sending the proposals and keeping the minutes;
 - chair the meeting and order voting; as well as
 - chair the General Meeting, if necessary, until the chairman of the General Meeting is elected.
- 14.10 The Board of Directors shall hold a meeting as necessary, but at least in every 3 (three) months.

The chairman of the Supervisory Board or a member of the Supervisory Board designated by him/her shall take part in the meeting of the Board of Directors as a person invited on a permanent basis. The chairman of the Board of Directors may also invite to the meeting the Auditor of the Company or any other person, with the right of consultation.

- 14.11 Minutes shall be drawn up of the meetings of the Board of Directors. The minutes shall contain:
- place and date of the meeting of the Board of Directors,
 - name of the members of the Board of Directors in attendance,
 - proposals set forth,
 - decisions made, and any objections to such decisions.

Members of the Board of Directors may request to enter their opinion word for word in the minutes.

The minutes shall be signed by the chairman of the meeting, by two further members of the Board of Directors in attendance and by the keeper of the minutes. The minutes shall be sent to all members of the Board of Directors and to the chairman of the Supervisory Board within fifteen days following the meeting, irrespective of whether they attended the meeting or not.

The Board of Directors may only adopt a valid resolution by telephone, facsimile and in any other similar way if more than half of the members of the Board of Directors put their votes in a private deed with full probative force and send it to the registered office of the Company within two days.

14.12 The meeting of the Board of Directors has a quorum, if more than half of the members of the Board of Directors are in attendance.

With the exception of the issue indicated in Article 7.3 and 14.18., the Board of Director shall adopt its resolutions by simple majority of votes, in case of a tie, the vote of the chairman shall decide. The Board of Directors shall adopt a resolution with two-third majority of votes regarding the issue of increase of the registered capital of the Company as indicated in Article 7.3. and 14.18.

14.13 The Board of Directors shall manage and control the business operations of the Company. Within the scope of the Statutes, it is entitled to take all measures that are not reserved exclusively for the General Meeting. The Board of Directors will be responsible for ensuring prudent operation and compliance with risk taking and capital adequacy provisions at the level of the businesses under the Company's controlling influence. The Board of Directors will exercise ownership rights in the case of businesses owned by the Company, or being under the controlling influence of the Company.

14.14 The Board of Directors shall:

- prepare the report of the Company pursuant to the Accounting Act and the proposal for the use of profits, and to submit them to the General Meeting together with the report of the Board of Directors,
- prepare the Company's report on responsible corporate governance and submit it to the General Meeting together with the report of the Supervisory Board;
- prepare a report for the General Meeting on an annual basis, and in every three months for the Supervisory Board on management, as well as on the pecuniary situation and business policy of the Company (including the subsidiaries of the Company involved in the consolidation);
- convene the ordinary General Meeting once annually, and convene the extraordinary General Meeting within eight days, with the simultaneous notification of the Supervisory Board, if it comes to its knowledge that as a result of the losses the equity of the Company has dropped to two-thirds of the registered capital or below the minimum level set forth in the Associations Act, or if it comes to its knowledge that the Company is threatened by insolvency or has stopped its payments or its assets do not cover its liabilities;
- provide for keeping the business books of the Company in accordance with the rules;
- provide for keeping the register of shareholders and possibility for looking into the register of shareholders at any time in working hours;
- make a decision on the acquisition of the own shares of the Company, if it is necessary in the interest of avoiding a serious damage threatening the Company;
- ensure prudent operation, and compliance with risk taking and capital adequacy provisions at the level of all the businesses under the Company's controlling influence.

14.15 The competence of the Board of Directors

14.15.1 Competences in relation to the strategy, business and financial activities of the Company:

- a) Approval of strategic and business policy objectives;
- b) Establishment and approval of annual business and financial plans, as well as the business policy;
- c) Analysis and assessment of the implementation of the business policy guidelines on the basis of the quarterly balance sheets of the Company;
- d) Management of the finances of the Company, approval of the Accounting Policy and the related internal rules ;
- e) The Board of Directors is entitled to approve an interim balance sheet, and to pass resolutions on the payment of initial dividend with, however, the prior consent of the Supervisory Board;
- f) Establishment of risk management guidelines that ensure the assessment of risk factors as well as the suitability of internal control mechanisms and the regulatory and the supervisory systems for their management, and ensure legal compliance;
- g) Approval and regular revision of the strategies and rules (as for the rules containing the qualification and estimation processes relating to the credit and operating risks) regarding the separation of tasks inside the organization, the prevention of conflict of interest, taking, measuring, handling, tracing and reduction of risks;

- h) Approval the internal rules regarding the principles of disclosure in connection with risk management;
- i) Establishment of the strategy and procedure relating to the determination and permanent maintainance of the capital, the extent and composition thereof, required for covering the Company's current and future risks;
- j) Establishment of the decision-making competence (limits) relating to financial services;
- k) Decision on loan placements 10% over the guarantee capital of the Company (excluding inter-bank financial transactions);
- l) Decision on investments with a volume, which from an accounting perspective represents more than 5% of the prevailing equity capital;
- m) Decision on the commencement, suspension or termination of the performance of certain activities falling within the licensed sphere of activities of the Company (Article 4.);
- n) Determination of the terms and conditions of the contract of agency to be entered into with the property inspector;
- o) Establishment of the Treasury's operating procedures on the money and capital market, its rules for entering into and administering deals;
- p) Approval of rules for collateral registration, rules on risk taking and large-risk taking, and security valuation;
- q) Decision on issues of receivables-property exchanges (forced investments) over HUF 200 million;
- r) Sales of individual bad debts of individual customers or customer groups with a loss over HUF 50 million.

14.15.2 Duties and competences related to the operation and organisation of the Company:

- a) Convocation of the General Meeting of the Company;
- b) Maintaining contacts with the shareholders at a proper level and with the necessary frequency;
- c) Maintaining contacts with the Supervisory Board and preparation of reports to be submitted to the Supervisory Board
- d) Continuous monitoring of the efficiency of corporate management;
- e) Management of major conflicts of interest having an effect on the whole organisation or on the operation of the Company;
- f) Approval of significant organisational changes (discontinuation or establishment of units);
- g) Establishment of measures and the plan for taking measures which become necessary as a result of the findings of the Hungarian Financial Supervisory Authority and/or the National Bank of Hungary and/or the State Audit Office;
- h) Establishment of a financial incentive system;
- i) Approval of rules of employer's loans.

14.15.3 Competences in relation to the increase of share capital and the acquisition of own shares:

- a) The Board of Directors is entitled – upon basis of and according to the authorization set forth by the Statues - to increase the share capital of the Company;
- b) The Board of Directors is entitled to make decisions on transactions related to own shares upon, and to the extent of, authorisation by the General Meeting;
- c) The Board of Directors is entitled to make decisions on the acquisition of the Company's own shares without authorisation by the General Meeting provided such acquisition is required in order to avoid serious damage to the Company.

14.15.4 Competences in relation to the management of the Group, foundation of companies and investment:

- a) Decision on the acquisition or sales of a company or a business activity in cases where the volume of such transaction exceeds 100 million HUF and participation reaches the level of influence;
- b) Decision on the issues falling within the sphere of authority of the supreme body in respect of one-person businesses owned by the Company, and exercise of owner's rights;

- c) Exercise of member's rights as set forth in the Business Associations Act in the case of business associations under the controlling influence of the Company;
- d) Instruction to the boards of credit institutions, financial enterprises and subsidiary businesses in which the Company holds interest over fifty per cent in the interest of compliance with, and implementation of, joint supervisory provisions.

14.15.5 Rights in relation to the representation of the Company:

- a) Development of, and monitoring compliance with, guidelines regarding the disclosure of information to be published pursuant to the relevant statutory provisions;
- b) Exercise of employer's rights over the chief executives (chief executives: the Chief Executive Officer and the Deputy Chief Executive Officers);
- c) Appointment of the employees authorized to sign for the Company to be entered in the Register of Companies, and approval of the internal rules containing the rules of procedure relating to the transfer of the joint right to signature of two internal members of the Board of Directors.

14.15.6. Rights related to own operation:

- a) Making proposals, as required, for the appointment of members to the Board of Directors, and for the remuneration of the members of the Board of Directors;
- b) Election and removal of the Chairman of the Board of Directors;
- c) Approval and modification of the rules of procedure of the body;
- d) entitled to form standing or ad hoc committees with the participation of board members and/or persons outside the Board (employees, external experts, etc.), and to give the necessary authorisations to these bodies;
- e) The Board of Directors is entitled to use the services of external consultants or experts for the implementation of its activity
- f) Supervision of the execution of the resolutions passed by the Board of Directors.

14.15.7 Other competences:

- a) Decision in all matters delegated to the Board of Directors by the General Meeting;
- b) Decision in all matters delegated to the Board of Directors by legislation, or matters outside the exclusive competence of the General Meeting that are included by the Board within its own sphere of competence, or those that any member of the Board of Directors or the Supervisory Board wishes to discuss;
- c) Receipt of reports on current matters within its own competence.

14.16 The Board of Directors exercises employer's rights above the chief executives (i.e. Chief Executive Officer and all Deputy Chief Executive Officers) through the Chairman of the Board of Directors. Employer's rights relating to other employees of the Company shall be exercised by the chief executive officer.

14.17 The Board of Directors is entitled, without an authorization of the General Meeting received in advance, to acquire own shares of the Company in a quantity stipulated in the statutory provisions, given that the acquisition is required in the interest of avoiding a serious damage directly threatening the Company. In such cases, the Board of Directors is obliged to disclose information at the next General Meeting on the reasons of acquiring the Company's own shares, on the number and total face value of the acquired shares, as well as on the proportion of these shares in terms of the Company's total registered capital and the amount paid for these shares.

14.18 The Board of Directors is entitled to make resolutions regarding the approval of an interim balance sheet and the payment of interim dividend; such decisions, however, require an approval of the Supervisory Board received in advance. This authorization is granted to the Board of Directors as of January 1, 2004.

15. Supervisory Board

15.1 Natural persons may only be members of the Supervisory Board.

15.2. The Supervisory Board consists of at least three and at most nine persons the majority of whom must be independent persons as provided for by the Companies Act, and except for the persons representing the employees, shall not be employed by the Company. The members of the Supervisory Board shall be elected by the General Meeting for a period not more than five years.

15.3 One-third of the members of the Supervisory Board, i.e. the representatives of employees shall be designated by the Works Council, if the number of full-time employees of the Company is in excess of two hundred persons on an annual average.

Persons designated by the Works Council shall be elected by the General Meeting as members of the Supervisory Board at the first meeting following designation, unless a disqualifying reason defined by law exists towards the candidates.

Employees of the Company shall not be represented on the Supervisory Board if the relevant agreement between the Works Council and the Board of Directors of the Company so provides.

15.4 The members of the Supervisory Board may be recalled at any time and may be re-elected following the expiry of their mandate.

15.5 The chairman shall convene the General Meeting if the number of members of the Supervisory Board falls below three. The Supervisory Board shall establish its own Rules of Procedure, which shall be approved by the General Meeting. The meetings of the Supervisory Board shall be convened by the chairman when necessary, but at least on three occasions annually.

The convocation of the meeting may be requested by any member from the chairman in writing, indicating the reason and the purpose. The chairman shall, within eight days reckoned from receipt of the application, take measures for convening the meeting of the Supervisory Board on a date within 30 days. The member himself/herself/itself is entitled to convene the meeting in case the chairman fails to fulfil the request.

The convocation of the Supervisory Board may also be requested in writing by the chairman or two members of the Board of Directors.

The Supervisory Board has a quorum if two-thirds of its members, but at least three members are in attendance. It shall adopt its resolutions by simple majority of votes.

The chairman of the Board of Directors and the chief executive officer or his/her representative may attend the meetings of the Supervisory Board as persons invited on a permanent basis.

15.6 The Supervisory Board shall supervise the management of the Company. Within the scope of such supervision, it may request report or information from the members of the Board of Directors and the officers of the Company, may audit the books and documents of the Company, or may have them audited by an expert. Any member of the Supervisory Board may motion to invite a report or ask for information orally at the meeting of the Supervisory Board or, outside the meeting, in a written request addressed to the Chairman of the Supervisory Board and the Chairman of the Board of Directors. The report or information requested shall be sent by the Chairman of the Supervisory Board within fifteen days from the meeting of the Supervisory Board, or from receipt of the written request. The Supervisory Board shall examine all essential business policy reports submitted to the General Meeting, the report drawn up in accordance with the Accounting Act, the proposal on the use of after-tax profit, furthermore, any and all proposals relating to a matter falling within the exclusive competence of the General Meeting. The result of inspection shall be set forth by the chairman of the Supervisory Board. Without being aware of the contents of the written report of the Supervisory Board, the General Meeting may not adopt a valid resolution on the report drawn up in accordance with the Accounting Act and the use of after-tax profits.

- 15.7 In addition to Article 15.6, the Supervisory Board shall be responsible, in particular, for
- (a) ensuring that the Company has a comprehensive control plan suitable for profitable operation;
 - (b) making a proposal for the Auditor as a company, or a human being; and his/her/its remuneration, on basis of the preliminary proposal of the management
 - (c) preparing the agreement to be concluded with the auditor;
 - (d) monitoring the auditor's compliance with the prescribed professional requirements, conflict of interests and requirements on his/her/its independence, taking care of activities related to the cooperation with the auditor, monitoring other services provided by the auditor to the Company in addition to the audit of the financial statements according to the Hungarian Accounting Act, furthermore – if required – making proposals to the Board of Directors on taking certain actions;
 - (e) commenting the financial statements according to the Hungarian Accounting Act and monitoring its audit;
 - (f) inspecting the annual and interim financial reports of the Company (including consolidated reports);
 - (g) directing the internal audit organization, in framework of which;
 - 1. accepting the annual audit plan of the internal audit organization;
 - 2. discussing the reports prepared by the internal audit at least semi-annually, and controlling the execution of the actions required;
 - 3. if required, supporting the work of the internal audit with the help of an external expert;
 - 4. making a proposal on changing the headcount of the internal audit organization;
 - (i) elaborating recommendations and proposals on the basis of the findings of the examinations conducted by the internal audit organization;
 - (j) approval of the report on responsible corporate governance;
 - (k) monitoring the efficiency of the internal audit and the risk management system, furthermore
 - (l) helping the work of the Board of Directors in order to properly audit the financial reporting system..
- 15.8 The prior consent of the Supervisory Board is required for making decisions in connection with the establishment and termination of employment of the heads and employees of the internal control organization, and for establishing their remuneration.
- 15.9 The chairman of the Supervisory Board shall send, within ten days following the meeting of the Board, the minutes, proposals and reports relating to an item on the agenda discussed by the Supervisory Board, the subject-matter of which is the gross violation of the internal rules of the Company, or a serious irregularity established in direction and management.
- 15.10 The members of the Supervisory Board may attend the General Meeting with the right of consultation, and may make a proposal regarding the agenda thereof.
- 15.11 The Supervisory Board shall proceed as a body. Control may be divided among its members on a permanent basis. The division of control shall neither affect the responsibility of the members of the Supervisory Board, nor their right to extend control to another activity falling within the sphere of control of the Supervisory Board.
- 15.12 If, at the discretion of the Supervisory Board, the activities of the Supervisory Board violate legal rules, the Statutes or the resolutions of the General Meeting, or otherwise violate the interests of the Company or the shareholders, the Supervisory Board shall convene an extraordinary General Meeting and shall make a proposal for the agenda thereof.
- 15.13 The Supervisory Board may make a proposal for convening the meeting of the Board of Directors and including the specific issues in the agenda.

16. *[Deleted]*

17. Auditor

17.1 For the purpose of ensuring the lawful operation of the Company and controlling management, the General Meeting shall elect an auditor for a period of not more than five years. Legal entities authorized to pursue such activity may also be elected as Auditors. In such an instance a member, officer or employee of the legal entity and a deputy thereof must be designated who shall be personally responsible for the conduction of the audit.

The Management of the Company shall, in agreement with the Supervisory Board, shall make a proposal regarding the auditing organization and the specific person to be appointed, as well as of the remuneration of the Auditor.

17.2 Auditors may inspect the books of the Company, may request information from officers, members of the Supervisory Board and employees of the Company, may inspect the cash desk, as well as the portfolio of securities and goods, the contracts and bank accounts of the Company. The Auditor may attend the meetings of the Supervisory Board, and is obliged to attend the General Meeting of the Company.

The Auditor shall examine all essential business reports submitted to the General Meeting, in particular the report drawn up in Accordance with the Accounting Act and the statement of assets from the respect whether they contain true data or are in compliance with the provisions of legal rules.

The General Meeting may not adopt a valid resolution without the report on the result of the inspection made by the Auditor.

17.3 If the Auditor becomes aware of the fact that a significant decrease of the assets of the Company is expected, or of a fact involving the responsibility of the members of the Board of Directors or the members of the Supervisory Board as defined in legal rules, the Auditor shall request the convocation of the General Meeting.

The Auditor shall inform the Court of Registration if the General Meeting is not convened, or if the decisions required by legal rules are not made at the General Meeting.

18. Property Inspector

18.1 In the interest of providing for the lawful operation of the Company, as well as for controlling and verifying the cover records of mortgage bonds issued by the Company, on a continuous basis and within the sphere defined by law, the Board of Directors of the Company shall appoint a Property Inspector. The license of the Supervision is required for the validity of the appointment of the Property Inspector.

18.2 The Property Inspector may be appointed for a definite period of time not exceeding five years, but may be appointed again following expiry of the period of appointment. Without the licence of the Supervision, the contract of agency concluded by the Company and the property inspector may not be validly terminated.

18.3 The Company may not instruct the Property Inspector within the sphere of his activities as Property Inspector.

18.4 The Property Inspector may have access to the books and other documents of the Company containing data necessary for the fulfilment of his/her duties, and may request information in connection with the fulfilment of his her duties, at any time. The Company shall provide continuous information to the Property Inspector about the principal and interest repayment of mortgage loans entered in the cover register and any changes affecting the pledged property and the additional cover even without that.

18.5 The Property Inspector shall be invited to the General Meeting of the Company, and he/she may participate therein with the right of consultation.

19. Chief Executive Officer

19.1 The Chief Executive Officer is the Company's employee, the senior employee in connection with whom

employer's rights are exercised by the Board of Directors. The Chief Executive Officer is not an officer in the sense of Section 247 of the Companies Act.

- 19.2 Rights with respect to the Chief Executive Officer's membership of the Board of Directors shall be the exclusive competence of the General Meeting.
- 19.3 The Chief Executive Officer undertakes management and control of daily operation in the context of his employment, and performs his duties as member of the Board of Directors under company law. Accordingly, his employment is governed by the Labour Code, and his election on, and membership of, the Board of Directors is governed by the provisions of the Act on Credit Institutions, the Companies Act and the Civil Code pertaining to such appointment.
- 19.4. The duties between the Board of Directors and the Chief Executive Officer are divided in such a way that the daily work of the Company shall be directed and controlled by the Chief Executive Officer within the framework of legal rules and the Statutes of the Company, and according to the decisions of the General Meeting and the Board of Directors. The decision-making on all matters which are not referred to the exclusive competence of the General Meeting and the Board of Directors shall fall within the competence of the Chief Executive Officer. The above division of duties shall not affect the responsibility of the Board of Directors and the members of the Board of Directors defined by legal rules.
- 19.5. The Chief Executive Officer shall exercise the employer's rights related to the employees of the Company in accordance with the provisions set forth in Article 14.16.5.b.

20. Authorized signature

- 20.1 Two persons shall jointly sign for the Company in matters assuming commitments on behalf of the Company in connection with financial service activities, including disposal over the Company's bank accounts, as follows:
 - one external and one internal member of the Board of Directors jointly;
 - two internal members of the Board of Directors jointly,
 - two managing directors (persons satisfying the conditions set forth in Article 21, Part III of Schedule No. 2 to Act CXII of 1996 on Credit Institutions and Financial Enterprises jointly,
 - the joint right to sign of two internal members of the Board of Directors and two managing directors may be transferred as joint right to sign in accordance with the relevant provisions of legal rules and the Rules of Procedure laid down in the Internal Rules approved by the Board of Directors of the Company.
- 20.2 The signature for the Company shall be effected in such a way that the persons entitled to represent the Company shall sign their names under the pre-typed, pre-printed or printed corporate text of the Company in accordance with their authentic specimen signature.

Miscellaneous provisions

21. Business year

The business year shall coincide with the calendar year.

22. Withdrawal of shares from the stock exchange

The General Meeting may only make a decision resulting in the withdrawal of the shares of the Company from the stock exchange, including the decision leading to the cancellation of the securities series as a sanction, if any investor (investors) assume(s) a prior obligation to make a purchase offer in connection with the withdrawal in

accordance with the relevant provisions of the stock exchange rules.

23. Legal disputes

The Arbitration Court attached to the Hungarian Chamber of Commerce and Industry shall decide any legal dispute arising from the present Statutes among shareholders.

24. Announcements

The Company shall publish its announcements and notices on the official web site of Budapest Stock Exchange (www.bet.hu), and on the web site operated by the Hungarian Financial Supervisory Authority (PSZÁF) (www.kozzetetelek.hu) in addition to the Company's official web site (www.fhb.hu). The publication on the Company's official web site shall be deemed as the publication on the Companies Gazette. The Company shall certify the publication of the announcements by the provision of the address of the web site serving as place of publication of announcements. Upon publication of a notice on the web site, the Company shall also send the same information to known creditors by way of electronic means, if the creditor provided an electronic address.

The provisions of the Companies Act, the Civil Code, the respective Acts on Credit Institutions, Capital Markets, and Mortgage Banks shall apply to issues not regulated in these Statutes.

25. Closing provisions

- 25.1 In matters not regulated by this Statutes the relevant provisions of the Companies Act, the Hungarian Civil Code, the Credit Institutions Act and the Capital Market Act, furthermore the Mortgage Act shall apply.
- 25.2 By virtue of Resolution No. 7/2012 (25.04) of the General Meeting of FHB Mortgage Bank Plc. approved the above amendments to the Statutes of the Company.

AUTHORIZATION OF NOMINEE

The undersigned , duly authorized representative(s) of (name, registered office, Register of Companies/registration number of the legal entity or unincorporated business association shareholder) (hereinafter: the "Shareholder") entered in the Register of shareholders of **FHB Mortgage Bank Private Limited Company** (1082 Budapest, Üllői út 48., Register of Companies number: 01-10-043638) (hereinafter: the "Company") hereby appoint and authorize

.....(name of nominee)

Mother's maiden name:

Address:

ID card number:.....,

to act on my behalf and represent me as my nominee and exercise my rights as a shareholder with full power of attorney at the annual regular/extraordinary General Meeting of FHB Mortgage Bank to be held on 2012, or, in the event of an absence of a quorum, at the repeated General Meeting reconvened at the date and venue stipulated in the announcement.

Dated 2012

on behalf of the Shareholder
(Title of representation:)

on behalf of the Shareholder
(Title of representation:)

In witness thereof,

Name: _____

Name: _____

Address: _____

Address: _____

ID card number: _____

ID card number: _____

AUTHORIZATION OF NOMINEE

The undersigned (name of natural person shareholder) (hereinafter: the "**Shareholder**"), shareholder duly entered in the Register of shareholders of **FHB Mortgage Bank Private Limited Company** (1082 Budapest, Üllői út 48., Register of Companies number: 01-10-043638) (hereinafter: the "**Company**") by virtue of this Deed of Authorization of Nominee hereby appoint and authorize

.....(name of nominee)

Mother's maiden name:

Address:

ID card number:.....,

to act on my behalf and represent me as my nominee and exercise my rights as a shareholder with full power of attorney at the annual regular/extraordinary General Meeting of FHB Mortgage Bank to be held on 2012, or, in the event of an absence of a quorum, at the repeated General Meeting reconvened at the date and venue stipulated in the announcement.

Dated....., 2012

_____ on behalf of the Shareholder

(Title of representation:)

In witness thereof,

Name: _____

Name: _____

Address: _____

Address: _____

ID card number: _____

ID card number: _____

