

Based on the conclusion of the ex officio performed audit procedure against OTP Bank Plc. (registered office: 1051 Budapest, Nádor utca 16.)("the Bank") by the National Bank of Hungary (registered office: 1054 Budapest, Szabadság tér 9. ("MNB"), the MNB passes the following

#### R e s o l u t i o n

- I. The MNB calls on the Bank to continuously, but not later than within 60 days from the date of receipt of the present decision, comply with the statutory requirements:
  - a) keep your records so that they are accurate and present a true picture of your clients financial assets;
  - b) to ensure that data provision obligation towards MNB is fully met;
  - c) ensure that the persons selected for the custody of clients financial instruments and their custody solutions are subject to regular due diligence, and in the frame of this to ensure that all information available to the Bank during the review is fully evaluated.
  
- II. The MNB calls on the Bank to ensure, on a continuous basis, but no later than as of 1st January, 2020, that the acceptance of third party's incentive fees or commissions and their usage is in accordance with legal requirements.
  
- III. The MNB calls on the Bank to ensure that its product management requirements are met on a continuous basis, but no later than 60 days from the date of receipt of the present decision, in accordance with the statutory provisions, and in course of the aforementioned, to ensure that the distribution strategy and the target market of the financial services offered or proposed in the frame of the Bank's investment service or ancillary services are defined accordingly.
  
- IV. The MNB warns the Bank that in the course of its activities, in order to comply with the statutory requirements, to ensure that MNB could perform its ex-post control activity in relation to the adequacy of the Bank's remuneration practices.
  
- V. The MNB warns the Bank that, in the course of its activities, it will continuously ensure that its investment obligations and other limitations on investment funds and custody policies are met, in accordance with the laws and its regulations concerned, in the frame of which, the Bank is obliged to
  - a) ensure fulfilment of the MNB's ex-post control activity;
  - b) ensure full compliance with the laws and the Bank's relating regulations.
  
- VI. The MNB warns the Bank that, in carrying out its activities, in order to comply with legal requirements,
  - a) in cases where it considers that the financial instrument or transaction covered by the contract is inappropriate for the prospective counterparty or the client, the attention of the prospective counterparty or the client shall always be drawn to that effect;

- b) to ensure the ex-post control activity of MNB relating to the Bank's mandating process carried out in the course of execution of the orders/mandates, as well as in the course of the provision of the investment services in the favour of the client.

VII. In the content of extraordinary reporting, the MNB obliges the Bank to:

- in respect of point I and III - VI to the operative part of this Decision, within 90 days of receipt of this Decision and
- in respect of point II. to the operative part of this Decision until 1st February 2020

send to MNB the internal auditor's reports, the relating supporting documents, as well as the measures contained in points I. to VI. of the operative part of this decision that are checking compliance with the provisions of points I.-VI. of the operative part of this decision and which have been negotiated by the Board of Directors and have been approved by the Supervisory Board.,

VIII. The MNB obliges the Bank to pay fine in the amount of three million (3.000.000) forints due to violation of law indicated in point I. (i) a), c), e), IV. and V. (i) b).

The Bank is obliged to publish the operative part of this resolution on its website within 15 days of the announcement.

The MNB draws the Bank's attention to the fact that, if the present commitments are not or not fully complied with, or have been complied with with delay, the MNB will have the possibility to apply additional measures provided by law, including also of posing of any further fines.

No procedural costs were incurred during the procedure.

The imposed fine has to be paid to the account number 19017004-01678000- 30900002 of MNB within 30 days after this resolution becoming enforceable by indicating „supervisory fine” as a comment and the number of the resolution. In case of lack of voluntary payment of the fine, the rules of administrative execution shall be applied.

In event the deadline for the payment of the supervisory 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”. 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. Nevertheless, whose rights and lawful interests are directly concerned by the administrative action, could submit the resolution for review to the Metropolitan Court by citing violation of law, within 30 days from the publication of the decision. The statement of claim addressed to Metropolitan Court and submitted to MNB shall be made through the assistance service submission form: (webpage of the assistance service submission form: <http://www.mnb.hu/felugyelet/engedelyezes-es-intezmenyfelugyeles/hatarozatok-es-vegzesekkeresese> ). In the procedure legal mandate is obligatory.

The lodging of an application has no suspensive effect on the entry into force of the decision, nevertheless whose rights and lawful interests have been violated by the administrative action, may apply for immediate legal protection, in the following cases: in order to prevent imminent disadvantage, to settle temporarily the disputed legal relationship, as well as in case of maintaining of status being the cause of the legal dispute in a constant manner.

The court will, in principle, decide the trial out of court. The hearing will be taken, if the plaintiff request in the application. There is no place for excuse, if the request is not be taken.

Dated: Budapest, 8th April, 2019.