

Additional Provisions for the Republic of Hungary: Obligation Characteristics and Deliverable Obligation Characteristics
(published on August 13, 2004)

1. Buyer and Seller agree that notwithstanding the foregoing, “Obligations” shall also include any National Bank of Hungary Obligation for the purposes of this Transaction where:

“National Bank of Hungary Obligation” means any obligation of the National Bank of Hungary (either directly or as provider of a Qualifying Affiliate Guarantee, or, if All Guarantees is specified as applicable in the related Confirmation, as provider of any Qualifying Guarantee) and any Successor:

(i) which has the Obligation Characteristic “Not Subordinated”, where solely for the purpose of the definition of “Not Subordinated”, the National Bank of Hungary shall be deemed to be a Reference Entity in respect of which a Reference Obligation has not been specified;

(ii) which is described by the Obligation Category “Bond or Loan”;

(iii) which has each of the Obligation Characteristics specified in respect of the Republic of Hungary; and

(iv) in relation to which the occurrence or existence of an Event of Default (as defined herein) will cause any obligation of the Republic of Hungary in respect of Borrowed Money to become, with the lapse of any grace period and subject to any other requirements under the terms of such Borrowed Money obligation (including requirements as to the amounts of such default), immediately due and payable pursuant to the terms of such Borrowed Money obligation.

“Event of Default” means any failure by the National Bank of Hungary as issuer or obligor or guarantor of the relevant obligation, to make, when due any payment of principal or premium or prepayment charge or interest, if any, on such obligation.

For the purposes only of construing the term “National Bank of Hungary Obligation”, the National Bank of Hungary shall be deemed to be a Reference Entity.

2. Buyer and Seller agree that notwithstanding the foregoing, “Deliverable Obligations” shall also include any National Bank of Hungary Deliverable Obligation for the purposes of this Transaction where:

“National Bank of Hungary Deliverable Obligation” means any obligation of the National Bank of Hungary (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the related Confirmation, as provider of any Qualifying Guarantee) and any Successor:

(i) which has the Deliverable Obligation Characteristic “Not Subordinated”, where solely for the purposes of this definition of “Not Subordinated” the National Bank of Hungary shall be deemed to be a Reference Entity in respect of which a Reference Obligation has not been specified;

- (ii) which is described by the Deliverable Obligation Category “Bond or Loan”;
- (iii) which has each of the Deliverable Obligation Characteristics specified in respect of the Republic of Hungary; and
- (iv) in relation to which the occurrence or existence of an Event of Default (as defined herein) will cause any obligation(s) of the Republic of Hungary in respect of Borrowed Money, to become, with the lapse of any grace period and subject to any other requirements under the terms of such borrowed Money obligation (including requirements as to the amounts of such default), immediately due and payable, pursuant to the terms of such Borrowed Money obligation.