



PANNÓNIA
ÉLETBIZTOSÍTÓ

**SUMMARY OF THE PROPOSALS AND THE PROPOSED
RESOLUTIONS REGARDING TO THE AGENDA ITEMS
OF THE GENERAL MEETING**

**CIG PANNÓNIA LIFE INSURANCE PLC.
FOR THE ANNUAL GENERAL MEETING TO BE HELD ON
17TH APRIL 2015**

Date of the Annual General Meeting: 17 April 2015 (Friday) at 10 a.m.

Place of the Annual General Meeting: Registered seat of the Company

(address: 1033 Budapest, Flórián tér 1.)

Dear Esteemed Shareholders!

The Board of Directors of CIG Pannónia Life Insurance Plc. (hereinafter the "Company") convened the Annual General Meeting for 10 a.m. on 17th April 2015. The agenda is included in the Notice of the invitation to the Annual General Meeting that was announced according to Article VIII. 8. of the Company's Articles of Association. The Notice of the invitation to the Annual General Meeting was published on the Company's website (www.cigpannonia.hu), on the website operated by the National Bank of Hungary (www.kozzetetelek.hu) and on the website of the Budapest Stock Exchange Private Company Limited by Shares (www.bet.hu) on 17th March 2015.

After the publication of the announcement, none of the shareholders exercised his/her right - according to the 3:259. § (2) of the Act Nr. V of 2013 on the Civil Code - to request additional items for the agenda of the General Meeting.

According to the legislation the Board of Directors publishes the proposed resolutions on the agenda items.

The Board of Directors convenes the Annual General Meeting with the following agenda items:

- I. a) Decision on the report of the Board of Directors prepared in connection with the business operation carried out in the 2014 business year, with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS), and on the use of the after tax profit;
 - I. b) Discussion of the report of the Audit Committee in connection with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS);
 - I. c) Discussion of the report of the Supervisory Board in connection with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS);
 - I. d) Discussion of the report of the registered auditor in connection with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS);
 - I. e) Decision on the approval of the corporate governance report.
2. Decision on the release from liability to be granted to the executive officers

3. Decision on the election of the registered auditor of the Company and the determination of its remuneration as well as the material provisions of the agreement to be concluded with the registered auditor.
4. Decision on the determination of remuneration of the members of the Board of Directors.
5. Decision on the election of a member of the Supervisory Board.
6. Decision on the determination of remuneration of the members of the Supervisory Board.
7. Decision on the remuneration of the members of the Audit Committee.
8. Decision on the empowerment to the acquisition of own shares.
9. Information on the acquisition of own shares.

This document contains the summary of the proposals and the proposed resolutions regarding to the agenda items of the General Meeting. After studying this document the Esteemes Shareholders receive detailed information on the agenda items of the General Meeting. The Repeated General Meeting convened as a result of lack of quorum shall have quorum for all issues included in the original agenda with the summary of the submissions and proposals for decisions published in this document.

The detailed conditions of attending the annual General Meeting and the Repeated General Meeting are included in the Notice of the invitation of the General Meeting.

Disclaimer: All information contained within this document is for information purposes only, and shall not be considered an official translation of the official communication referred to herein. This document does not include the integral wording of the official communication referred to herein, the original Hungarian language version of it remains to be the solely legally binding material in the subject matter. For further information, please do not hesitate to contact us.

**AGENDA ITEM no. 1.
CLOSING OF THE BUSINESS YEAR**

**AGENDA ITEM no. 1.
A)**

Decision on the report of the Board of Directors prepared in connection with the business operation carried out in the 2014 business year, on the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS), and on the use of the after tax profit

SUMMARY OF THE PROPOSAL

The proposal regarding to this item of the agenda is firstly the same as the report of the Board of Directors in connection with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS) which is attached as Annex I/A an integral part of this document.

The second part of this agenda item is the decision on the Company's annual report prepared according to the Hungarian Accounting Act, and the Company's consolidated financial statements prepared according to the international financial reporting standards (EU IFRS), which are attached as Annex I/A an integral part of this document.

Additional proposal of the Board of Directors is that the Company shall not pay dividends for the 2014 business year and the balance sheet earnings should be transferred to the profit reserve in order to strengthen the Company's capital position.

In accordance with the Hungarian Accounting Act, the Company presents interest payable on interest-bearing shares, issued on 24 September 2012, amounting THUF 122,366 on line „17. Approved dividends and profit shares” of the Income Statement in 2014, from which the interest payable for the 15.09.2013.-14.09.2014. period will be paid after the General Meeting.

PROPOSED RESOLUTIONS

Having regard that the General Meeting does not have to pass a resolution on the report of the Board of Directors the Board of Directors does not submit a resolution proposal regarding to this part of the agenda item I/A.

The General meeting approves the Company's audited annual report and business report for the financial year 2014, prepared according to the Hungarian Accounting Act, in which the amount of

total assets equalling to the amount of total liabilities is THUF 63,860,868 and the profit after tax is a THUF 81,868 profit.

The General Meeting approves the Company's audited, consolidated financial statements and consolidated business report for the financial year 2014, prepared according to the international financial reporting and accounting standards accepted by the European Union in which the amount of total assets equalling to the amount of total liabilities is THUF 65,410,544 and the total comprehensive income is a THUF 206,007 loss.

The General Meeting decides that the Company shall not pay dividends for the financial year 2014 and the balance sheet earnings should be transferred to the profit reserve.

**AGENDA ITEM no. I.
B)**

Discussion of the report of the Audit Committee in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

SUMMARY OF THE PROPOSAL

The proposal regarding to this item of the agenda is the same as the report of the Audit Committee in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS). This report is attached as Annex I/B an integral part of this document.

PROPOSED RESOLUTION

Having regard that the General Meeting does not have to pass a resolution on this report of the Audit Committee, the Board of Directors does not submit a resolution proposal regarding to agenda item I/B.

**AGENDA ITEM no. 1.
C)**

Discussion of the report of the Supervisory Board in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

SUMMARY OF THE PROPOSAL

The proposal regarding to this item of the agenda is the same as the report of the Supervisory Board in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS). The report is attached as Annex I/C, an integral part of this document.

PROPOSED RESOLUTION

Having regard that the General Meeting does not have to pass a resolution on this report of the Supervisory Board, the Board of Directors does not submit a resolution proposal regarding to agenda item I/C.

**AGENDA ITEM no. I.
D)**

Discussion of the report of the registered auditor in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

SUMMARY OF THE PROPOSAL

The proposal regarding to this item of the agenda is the same as the report of the registered auditor in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS). The report is attached as Annex I/D, an integral part of this document.

PROPOSED RESOLUTION

Having regard that the General Meeting does not have to pass a resolution on this report of the Supervisory Board, the Board of Directors does not submit a resolution proposal regarding to agenda item I/D.

AGENDA ITEM no. I.
E)

Decision on the approval of the corporate governance report

SUMMARY OF THE PROPOSAL

In accordance with the Subsection (1) of the Section 3:289. of the Act no. 5 of 2013 on the Civil Code (hereinafter referred as: Civil Code) the Board of Directors of public limited companies shall submit to the Annual General Meeting the corporate governance report prepared in compliance with the regulation on stock exchange participants.

In the corporate governance report the Board of Directors summarizes the corporate governance practices applied by the Company in the previous financial year, and declares the differences to the Corporate Governance Recommendations of the Budapest Stock Exchange.

Given that the shares of the Company has been listed on the Budapest Stock Exchange on 8 November 2010, the Board of Directors of the Company submits the corporate governance report prepared – and approved by the Supervisory Board of the Company - in compliance with the regulation on exchange participants to the annual general meeting for the fifth time this year.

Related to the corporate governance report the Board of Directors informs the Honourable Shareholders that companies listed on the stock exchange are required to express their views on their corporate governance practices in two ways. **In the first part** of the corporate governance report they have to give an accurate, comprehensive and easily comprehensible account of the corporate governance practices applied by their company in the given business year, including their corporate governance policy, and a description of any unusual circumstances. **In the second part** of the statement, in accordance with the "comply or explain" principle, they have to indicate their compliance with those recommendations included in specified sections of the Recommendations ("R" - recommendation) and whether they apply the different suggestions formulated in the Recommendations ("S" - suggestion). If the practice followed by the limited company is identical with that included in the section of the Corporate Governance Recommendations of the Budapest Stock Exchange that is designated as a recommendation, this is to be indicated by the answer YES. If the limited company does not apply the recommendation or applies it in a different manner, an explanation of what the discrepancies are and the reasons for the said discrepancies should be provided ("comply or explain" principle). In the case of suggestions, companies shall only indicate whether they apply the given guideline or not; there is no possibility for a specific explanation.

The new recommendation of the Corporate Governance Committee of the Budapest Stock Exchange entered into force on 1 December 2012. Based on the recommendation the

Company started to revise its principles of operation and within the framework of the revision it set up the Remuneration and Nomination Committee, and amended its organizational and operational regulations together with the rules of procedure of the Board of Directors.

The corporate governance report prepared by the Board of Directors and approved by the Supervisory Board as described above is attached as Appendix I/E, an integral part of this document.

PROPOSED RESOLUTION

The General Meeting approves the corporate governance report prepared according to the Corporate Governance Recommendations of Budapest Stock Exchange Ltd. and approved formerly by the Company's Supervisory Board.

AGENDA ITEM no. 2.

Decision on the release from liability to be granted to the executive officers

SUMMARY OF THE PROPOSAL

According to the Article VIII. 5. of the Articles of Association and in compliance with the Subsection (1) of Section 3:117 of the Civil Code the Annual General Meeting shall put on its agenda – at the request of the executive officer and together with the decision on the approval of the financial statements - the evaluation of the work of the executive officers performed in the previous business year and pass a resolution on the waiver (discharge) that may be granted to the Board of Directors. By granting a waiver the General Meeting verifies that the members of the Board of Directors have performed their work in the financial year 2014 under review by giving priority to the interests of the company.

PROPOSED RESOLUTION

The General Meeting – under the Article VIII. 5. of the Articles of Association – approves the work of the members of the Board of Directors performed in the business year 2014 and grants waiver to the members of the Board of Directors under the Subsection (1) of Section 3:117 of the Civil Code. By granting a waiver the General Meeting verifies that the members of the Board of Directors have performed their work in the period under review by giving priority to the interests of the company.

AGENDA ITEM no. 3.

Decision on the election of the registered auditor of the Company and the determination of its remuneration as well as the material provisions of the agreement to be concluded with the registered auditor.

SUMMARY OF THE PROPOSAL

The Audit Committee of the Company revised in 2014 the cooperation with KPMG Hungary Audit, Tax and Economic Consultancy LLC, the statutory auditor of the Company to date and evaluated the experiences of the cooperation in details.

According to the opinion of the Audit Committee of the Company the cooperation with the statutory auditor was constructive and the Audit Committee considered the performance of the statutory auditor in the financial year 2014 appropriate. In addition, the Audit Committee formed an opinion on the binding offer of the statutory auditor for the audit of the financial year 2015.

Based on the opinion of the Audit Committee the Board of Directors proposes to the General Meeting to continue the cooperation with KPMG Hungary Audit, Tax and Economic Consultancy LLC under the following remuneration and essential conditions of the contract to be undertaken.

The proposal of the Board of Directors for the General Meeting is to appoint the Company's current auditor, KPMG Hungary Audit, Tax and Economic Consultancy LLC (registered seat: 1134 Budapest, Váci út 31.; company registry number: Cg.01-09-063183; chamber registration number: 000202), and Csilla Leposa as personally responsible auditor (address: 1029 Budapest, Géza fejedelem útja 18.; mother's name: Emma Kárász; chamber registration number: 005299) as the the statutory auditor of the Company until the closure of the 2015 business year (but until 30 April 2016 the latest). The proposal of the Board of Directors for the General Meeting is to approve the annual premium of the auditor in a maximum amount of HUF 16,000,000 + VAT (that is sixteen million thousand Hungarian Forints plus VAT) and establish the material terms of the contract to be entered into with the auditor as follows:

I. Subject-matter of the contract

The audit of the annual report of the Company prepared according to the Hungarian Accounting Act and the consolidated financial statements prepared according to the international financial reporting standards accepted by the European Union (EU IFRS) for the financial year 2015, and the examination of the Company's supplementary report prepared according to Section 151 (5) to (8) of Act LX of 2003 on insurance companies and insurance activity.

PROPOSED RESOLUTION

The General Meeting appoints the Company's current auditor as the statutory auditor of the Company until the closure of the financial year 2015 (but until 30 April 2016 the latest), that is KPMG Hungary Audit, Tax and Economic Consultancy LLC (registered seat: 1134 Budapest, Váci út 31.; company registry number: Cg.01-09-063183; chamber registration number: 000202) and personally responsible auditor Csilla Leposa (address: 1029 Budapest, Géza fejedelem útja 18.; mother's name: Emma Kárász; chamber registration number: 005299).

The General Meeting approves the annual premium of the auditor in a maximum amount of HUF 16,000,000 + VAT (that is sixteen million thousand Hungarian Forints plus VAT).

The General Meeting establishes the material terms of the contract to be entered into with the auditor as follows:

Subject of the contract:

The audit of the annual report of the Company prepared according to the Hungarian Accounting Act and the consolidated financial statements prepared according to the international financial reporting standards accepted by the European Union (EU IFRS) for the financial year 2015, and the examination of the Company's supplementary report prepared according to Section 151 (5) to (8) of Act LX of 2003 on insurance companies and insurance activity.

AGENDA ITEM no. 4.

Decision on the determination of remuneration of the members of the Board of Directors

SUMMARY OF THE PROPOSAL

Last time the annual general meeting of The Company held on 29 April 2014 decided on the remuneration of the Board of Directors. Resolution No. 15/2014 (IV.29.) laid down that those members of the Board of Directors who have employment contracts with the Company, shall not receive any remuneration. If the members of the Board of Directors elected are not employed by the Company, they shall receive a remuneration of HUF 150,000 (gross) per month. The Chairman of the Board of Directors if he/she does not have employment contract with the Company shall receive a remuneration of HUF 250,000 (gross) per month.

The Remuneration and Nomination Committee decided on the remuneration for board membership on its meeting held on 13 March 2015 and made a proposal on the remuneration for members of each boards. The Board of Directors according to the proposal of the Committee proposes that the Chairman of the Board of Directors shall receive a remuneration of HUF 200,000 (gross) per meetings and the other members shall receive HUF 100,000 (gross) per meetings. At least five meetings per year entitles for remuneration. Those members of the Board of Directors who have employment contracts with the Company, shall not receive any remuneration.

PROPOSED RESOLUTION

The General Meeting decides that members of the Board of Directors, who have employment contracts with the Company, still shall not receive any remuneration. Effective from the passing of this resolution, the General Meeting decides that from 2015 those members of the Board of Directors who are not employed by the Company, shall receive a remuneration of HUF 100,000 (gross) per sessions. At least five meetings per year entitles for remuneration. The Chairman of the Board of Directors if he/she does not have employment contract with the Company shall receive a remuneration of HUF 200,000 (gross) per month. At least five meetings per year entitles for remuneration.

AGENDA ITEM no. 5.

Decision on the election of a member of the Supervisory Board

SUMMARY OF THE PROPOSAL

Dr. József Bayer had been a member of the Supervisory Board from 8 March 2010 and later he also been elected as the Chairman of the Supervisory Board. His mandate expired on 8 March 2015. The Board of Directors proposes to the General Meeting to appoint Dr. József Bayer - with the effect from the date of the authorization of the National Bank of Hungary – as member of the Supervisory Board of the Company for a period of 5 (that is five) years.

Information about the professional experiences and his relevant knowledge, his further position as the Chairman of the Supervisory Board that makes him competent to the Supervisory Board membership, and his other important professional commitments (posts in other companies) is attached as Annex 5.

PROPOSED RESOLUTION

The General Meeting appoints Dr. József Bayer as a member of the Supervisory Board of the Company for a five year period with the effect from the date of the authorization of the National Bank of Hungary.

AGENDA ITEM no. 6.

Decision on the determination of remuneration of the members of the Supervisory Board

SUMMARY OF THE PROPOSAL

Last time the annual general meeting of the Company held on 29 April 2014 decided on the remuneration of the Supervisory Board. Resolution No. 18/2014 (IV.29.) laid down that the members and the Chairman of the Supervisory Board shall receive a remuneration of HUF 100,000 (gross) per meetings.

The Remuneration and Nomination Committee decided on the remuneration for board membership at its meeting held on 13 March 2015 and made a proposal on the remuneration for members of each boards. The Board of Directors according to the proposal of the Committee proposes that the Chairman of the Supervisory Board shall receive a remuneration of HUF 200,000 (gross) per meetings and the other members shall receive HUF 100,000 (gross) per meetings. At least five meetings per year entitles for remuneration.

PROPOSED RESOLUTION

The General Meeting decides that with the effect from passing this resolution the Chairman of the Supervisory Board of the Company, shall receive a remuneration of HUF 200,000 (gross) per meetings. Members of the Supervisory Board shall receive a remuneration of HUF 100,000 (gross) per meetings from 2015. At least five meetings per year entitles for remuneration.

AGENDA ITEM no. 7.

Decision on the determination of remuneration of the members of the Audit Committee

SUMMARY OF THE PROPOSAL

The Board of Directors informs the General Meeting that the members of the Audit Committee received HUF 200,000 per meetings according to resolution No. 20/2014. (IV.29.)

The Remuneration- and Nomination Committee decided on the remuneration for board membership at its meeting held on 13 March 2015 and made a proposal on the remuneration for members of each boards. The Board of Directors according to the proposal of the Committee proposes that the Chairman of the Audit Committee shall receive a remuneration of HUF 200,000 (gross) per meetings and the other members shall receive HUF 100,000 (gross) per meetings. At least five meetings per year entitles for remuneration.

PROPOSED RESOLUTION

The General Meeting decides that with the effect from passing this resolution the Chairman of the Audit Committee shall receive a remuneration of HUF 200,000 (gross) per meetings. Members of the Audit Committee shall receive a remuneration of HUF 100,000 (gross) per meetings from 2015. At least five meetings per year entitles for remuneration.

AGENDA ITEM no. 8.

Decision on the empowerment to the acquisition of own shares

SUMMARY OF THE PROPOSAL

The Board of Directors concluded that in order to maintain the exchange rate of the CIGPANNONIA shares it might be necessary to acquire own shares. For this case the Board of Directors asks for the authorization of the General Meeting.

According to the Subsection (1) of the Section 3:223 of the Civil Code own shares may be acquired by means of a contract for pecuniary interest upon the general meeting authorizing the Board of Directors in advance to acquire them, expressly specifying the type and class of shares that can be acquired, their quantity and nominal value, and the minimum and maximum amounts of consideration payable. Authorization may be granted for a period of eighteen months.

The proposal of the Board of Directors for the General Meeting is to authorize the Board of Directors to acquire interest-bearing own shares *quid pro quo*, with the lowest value of HUF 100, the highest value of HUF 750. The maximum quantity of the interest-bearing own shares to be purchased equals the maximum quantity of the share series „B” and „C”, i.e. 1,150,367 pieces of share series „B” and 730,772 pieces of share series „C”.

The proposal of the Board of Directors for the General Meeting is to authorize the Board of Directors to acquire a maximum of 5,000,000 pieces of common shares *quid pro quo*, with the lowest value of HUF 100, the highest value of HUF 400.

The purchase of own shares shall not prevent the compliance with the Solvency II requirements.

PROPOSED RESOLUTION

*The General Meeting authorizes the Board of Directors to acquire interest-bearing own shares *quid pro quo*, with the lowest value of HUF 100, the highest value of HUF 750. The maximum quantity of the interest-bearing own shares to be purchased is 1,150,367 pieces of share series „B” and 730,772 pieces of share series „C”.*

*The General Meeting authorizes the Board of Directors to acquire a maximum of 5,000,000 pieces of common shares *quid pro quo*, with the lowest value of HUF 100, the highest value of HUF 400.*

The purchase of own shares shall not prevent the compliance with the Solvency II requirements. The authorization is granted for a period of 18 months, that starts from the date of the decision.

AGENDA ITEM no. 9.

Information on the acquisition of own shares

SUMMARY OF THE PROPOSAL

The General Meeting of the Company authorized the Board of Directors to acquire at least 1,200,000 dematerialized registered voting series “A” common shares of HUF 40 (forty Hungarian Forints) of nominal value each for free or quid pro quo with its resolution no. 23/1/2014. (IV. 29.) on the Annual General Meeting held on 29 April 2014.

According to the authorization the Company acquired 1,196,750 pieces of dematerialized CIGPANNONIA common shares of the share series “A” of HUF 40 (forty Hungarian Forints) of nominal value each for free by gift contract from one of its formal executive officers on 22 May 2014. The Company wishes to ensure the establishment of the long term management interest system with the aquired shares.

PROPOSED RESOLUTION

The Board of Directors does not submit a resolution proposal regarding to the current agenda item.

Annexes

ANNEX I/A

Report of the Board of Directors in connection with the Company's annual report in accordance with the Hungarian Accounting Act, and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

and

The Company's annual report in accordance with the Hungarian Accounting Act for 2014 business year

and

the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS) for 2014 business year

ANNEX I/B

Report of the Audit Committee in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

ANNEX I/C

Report of the Supervisory Board in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

ANNEX I/D

Report of the registered auditor in connection with the Company's annual report in accordance with the Hungarian Accounting Act and the Company's consolidated financial statements in accordance with international financial reporting standards (EU IFRS)

ANNEX I/E
Corporate Governance Report

ANNEX 5

CV of the proposed member of the Supervisory Board