

Magyar Telekom Plc.  
Form 6-K  
May 11, 2010

**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934**

**Report on Form 6-K dated May 7, 2010**

**Magyar Telekom Plc.**

(Translation of registrant's name into English)

**Budapest, 1013, Krisztina krt. 55, Hungary**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

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If  Yes  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-



**Magyar Telekom Telecommunications Public Limited Company**

**Annual General Meeting**

**MINUTES**

taken at the Annual General Meeting of Magyar Telekom Telecommunications Public Limited Company (registered seat: 1013 Budapest, Krisztina krt. 55., registration number: Cg. 01-10-041928) taking place at the headquarters of Magyar Telekom Plc. (Budapest I., Krisztina krt. 55., Tölösi Conference Centre) on April 7, 2010, from 10.00 a.m.

Way of participating at the General Meeting: in person.

Participants: as listed in the attached attendance sheet.

**Christopher Mattheisen:** I hereby open the General Meeting at 10 o'clock 7 minutes. I welcome the Shareholders and the invitees.

*Let me inform the General Meeting that votes will be cast via computer in accordance with Section 6.17.1 of the Articles of Association, and votes will be tallied electronically in accordance with Section 6.17.3 of the Articles of Association. I inform the General Meeting that I will state the result of voting as the computer counted votes appear on the screen. I ask **Mr. György Kató**, present on behalf of HC LINEÁR Kft., to describe the essence and method of computer voting.*

**György Kató:** Distinguished Shareholders, Mr. Chairman! Following the presentation of the resolution proposal, the voting sheet will be displayed on the screen, then you can use your voting devices: the green is the yes button, the black is abstention, the red is no. Please hold the device in a way, that it can receive light through the black window, where no other information appears, and push the button and release. After the release, the flashing light next to the button shows that the device works properly. If it does not work properly, please let us know and we will replace the device. Thank you for your patience and I wish you good work!

**Christopher Mattheisen:** Thank you Mr. Kató. I inform you, that the total number of votes of the voting shares is: 1 041 239 002 pcs, of which 723 381 633 votes, which represents 69,47%, are present personally or represented via proxy, therefore the General Meeting constitutes a quorum.

I confirm that the General Meeting has been convened in compliance with the relevant provisions of law and the provisions of the Articles of Association. Submissions, resolution proposals could be preliminarily studied by the shareholders at the home page of the Company and the Budapest Stock Exchange, at KELER Zrt. and before the start of the meeting, here, at the venue of the General Meeting. According to the Company's standpoint, the Company is not obliged to publish the invitation to the Company's General Meeting and the summary of the submissions and resolution proposals in the Magyar Tőkepiac, nationwide financial newspaper, under the effective laws, the Articles of

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Association effective as of September 30, 2009 or any court decision. However, the invitation to the General Meeting and the summary of the submissions and resolution proposals had been published in the Magyar Tőkepiac, nationwide financial newspaper in order to exclude or minimize potential legal disputes regarding the Company's announcements.

On the basis of the proxy instruments submitted to the Company, I state that proxies represent the shareholders legally. Shareholders who certified their shareholder status prior to the General Meeting, during registration by way of a securities account statement, issued to the name of the shareholder, however, are not registered in the Share Registry, may participate the General Meeting but may not exercise voting rights.

Section 304 (3) of the Act IV of 2006 on Business Associations (hereinafter: the Companies Act) sets forth that shareholders are entitled to exercise their rights as shareholders whose names are registered in the Stock Register at the time of closing the Stock Register. Magyar Telekom Plc.'s Articles of Association also contains a provision in compliance with these rules. In accordance with the provisions of the law and the Articles of Association, our

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Announcement for the General Meeting published on March 5, 2010 we called the attention of our Distinguished Shareholders to the fact that they might exercise their right of vote provided that they had been recorded in the Stock Register of the Company as owners of shares or nominees at least 6 working days before the General Meeting (i.e. on March 26, 2010 at the latest). The closing of the Stock Register does not restrict the right of the shareholder to transfer his shares after the closing of the Stock Register. A transfer of the shares before the date of the General Meeting does not restrict the right of the person registered in the Stock Registry to participate the General Meeting and exercise his shareholder's rights.

The General Meeting is conducted in Hungarian and in English languages with simultaneous interpretation. The translator devices are available at the registration desk. I request the Shareholders to announce their name and the number of their voting device into the microphone that we provide in every case when contributing to the discussion. Please always use the microphone during your speech. Let me draw the Shareholders kind attention, that only those contributions will be registered in the minute that are delivered with the use of the microphone. Taking the number of participants into account and in accordance with Section 6.13 (f) of the Articles of Association each contribution is limited to maximum 3 minutes per each shareholder. In order to ensure reasonable time management I request the Shareholders to observe the said limit at each agenda point. The planned duration of the General Meeting is approximately 5 hours with a break.

I request the participants to agree to the proceedings of the General Meeting being recorded on tape. Then I ask the Shareholders whether there are any remarks or motions? Please.

**László Marosi** shareholder: My name is László Marosi, the serial number of my voting device is 617. I would like to announce something and I also have two questions with regard to the General Meeting. The announcement is as follows: Ladies and Gentlemen, let me hereby inform you that according to my standpoint the management again succeeded to convoke the General Meeting unlawfully, similarly to the Annual General Meetings held in 2008, 2009 and the Extraordinary General Meeting in 2009. The resolutions of the first, the Y2008 Annual General Meeting, have been reviewed by court and they have been rendered ineffective, this was disclosed by Magyar Telekom. The court revision of and procedure for rendering ineffective the Y2009 Extraordinary General Meeting is under way. Prior to the court decision's becoming final the resolutions of the Y2008 Annual General Meeting could not have been voted upon anyway as the retrospective approval of these resolutions is not allowed by the laws. The announcement of this General Meeting and the submissions are full of material formal and contextual errors, violations of law, therefore, the convocation of the General Meeting is procedurally unlawful. I believe that all resolutions that are made today will be rendered ineffective by the court. I will have further comments at the respective agenda items but the two questions that I talked about are as follows. The first one: on the basis of which of the four Articles of Association, and with which date, published side by side on the company's web site was this General Meeting convoked and organized? This is the first question. The second question is related to the lawfulness of the convocation, the management claims that at the convocation of this General Meeting and the disclosure of the agenda items the resolutions of the Y2008 General Meeting were not rendered ineffective with a final decision by the court but in that case what is the legal basis of publishing the re-voting procedure of resolutions that have not been rendered ineffective with a final decision because such retrospective approval is not allowed by the laws. Thank you.

**Christopher Mattheisen**: Let me ask dr. Balázs Máthé, Chief Legal Counsel of the Company, to answer the question.

**Balázs Máthé**: Thank you Mr. Chairman. In due course, there was a comment and two questions. Within the frame of the comment you expressed your viewpoint that simultaneously is the position of the claimant. The viewpoint of the Company is quite the opposite and it is represented at court and the General Meeting was convoked accordingly. Secondly: the currently effective Articles of Association of Magyar Telekom is the one that was approved on June 29, 2009, with resolution no. 20/2009, that entered into force on September 30, 2009. We convoked the General Meeting on the basis of this. The third question or the second question, the third comment is that as we disclosed the decision dated March 22, we, sorry, I want to tell you the exact dates for the sake of the minutes, yes, we received the decision of the Supreme Court on March 22, in which they refused our appeal



against the refusal of our certificate request and this ended the pending legal status and the decision entered into force on July 7. It means that when the Board of Directors decided on the convocation of the General Meeting then there was really a pending legal situation, back then the April 25, 2008 General Meeting resolutions were still effective and as far as the nature of the confirmatory resolutions of the relevant agenda item allowed, either the decision was effective or not, the April 25, 2008 resolutions could be confirmed according to the laws. Obviously, our standpoints are different, that is why we are claimant and plaintiff at court. Obviously, the independent Hungarian court will decide who is right. The standpoint of the management is consequently, that is prudently backed by external legal advice, is that we continuously disclosed in a coherent way and that served as the basis of our acts in all cases, including the convocation and holding of the General Meeting. Thank you.

*Christopher Mattheisen*: Any other comments? Please.

**Pál Kustra** shareholder: Pál Kustra, owner of box no. 631. The Y2008 General Meeting was interesting from many different angles. This was the General Meeting where they tried to legalize the White & Case contract that cost HUF 21.6 billion to the shareholders by the end of Y2009. This contract was concluded in January, 2006 and it was signed by Ádám Farkas and Klaus Hartmann. At the last General Meeting, at the Y2009 Annual General Meeting Mr. Balázs Máthé told that Ádám Farkas did not sign the contract as a person authorized to sign on behalf of the company and Ádám Farkas claimed that he signed the contracts as a countersignatory. As far as I know this is not true as the June, 2006 contract was signed by two gentlemen and there was not commented that Ádám Farkas countersigned it so according to the then effective Articles of Association, the contract is invalid. My question is this two person should have been Board members, or employee authorized by two the Board members to sign this contract so that besides Klaus Hartmann, who supposedly signed it in bad faith, who was the other member who signed it officially as a person authorized to sign on behalf of the company? My other question is that when Mr. Mattheisen saw this January, 2006 contract, that is against the Articles of Association, did he draw the necessary consequences when in February, 2007 he voted in favor that White & Case continues the Macedonian investigation? Thank you.

**Balázs Máthé**: Thank you for the question Mr. Kustra. Would you help us and specify how this question is related to the technical voting before the discussion of agenda items, that our Chairman is trying to initiate now?

**Pál Kustra** shareholder: According to the agenda, sorry, Pál Kustra, box 631. According to the agenda we are about to vote on the Y2008 General Meeting resolutions. Though I did not receive any agenda that would clearly indicate this, but according to binder no. 1, this should be the case. During the 2008 General Meeting I told in relation to an agenda item, when the modification of the Articles of Association regarding the Supervisory Board was introduced, that with that modification the Audit Committee should have the competence to retain an expert and with that you legalized this contract. So on the basis of the 2008 General Meeting it is absolutely clear that you were already in violation of this and among others the court annulled this Y2008 General Meeting resolution. So my comment outside the agenda is interesting because you spent HUF 21.6 billion with a contract that is in violation of the Articles of Association from the money of the Magyar Telekom shareholders and this amount is still increasing. I would like to have an answer from the Chief executive officer, who voted in favor of the Macedonian investigation in February, 2007, whether he saw the January, 2006 White & Case contract when he saw and was aware of the consequences because since you have been managing the company as a Chairman-Chief executive officer the company spent more than HUF 17 billion on the investigation. Thank you.

**Balázs Máthé**: From a procedural point of view I propose to allow the Chairman to start the voting process on recording the General Meeting on tape so that we can properly prepare the minutes. I will have a brief comment on other voice recordings and when we actually discuss agenda item 1, I will answer you. The essence of my answer will be that I do not think it fits to the discussion of the agenda item.

**Christopher Mattheisen**: Thank you Mr. Máthé. Then to the voice recording, the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.





*The result of the voting: the General Meeting has adopted the Resolution with 708 441 285 affirmative votes (96.27%), 100 negative votes (0.00%), and 5 500 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 67.940192%, Negative: 0.000010%, Abstention: 0.000527%.)*

I state that, in line with the proposal, the General Meeting adopts the following resolution:

**Resolution No. 1/2010 (IV.7.)**

**The General Meeting agrees that the proceedings of the General Meeting shall be recorded on tape.**

**Christopher Mattheisen:** Mr. Máthé.

**Balázs Máthé:** In relation to this let me ask the distinguished Shareholders to make known if anybody has a problem with recording the General Meeting by some minority shareholders with their own devices, own tapes? Some of you told me before the meeting, the General Meeting that you would like to record it. Naturally it is not only applicable to the shareholders but based on the rules of protecting personal data, to all who are in this room. Should you have any comments or problems, please indicate it. If there are none, we deem that the consent was granted and the shareholders may do the voice recording. Thank you.

**Christopher Mattheisen:** I propose to the General Meeting to elect the Chairman of the General Meeting before the discussion of the agenda items begins. Based on the respective proposal of the Board of Directors, I propose to the General Meeting to elect me, Christopher Mattheisen, to be the Chairman of the General Meeting. I ask the Shareholders whether there are any remarks or motions? The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

*The result of the voting: the General Meeting has adopted the Resolution with 708 446 634 affirmative votes (96.25%), 251 negative votes (0.00%), and 0 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 67.940705%, Negative: 0.000024%, Abstention: 0.000000%.)*

**I state that the General Meeting adopts the draft resolution in Resolution No. 2/2010 (IV.7.).**

**Chairman:** I propose to the General Meeting to elect dr. Gabriella Bognár, in-house legal counsel of Magyar Telekom Nyrt. s Group legal directorate as Keeper of the Minutes. I further propose that Mr. Oliver Kranzusch, representative of MagyarCom Holding GmbH should authenticate the Minutes. I ask the Shareholders whether there are any remarks or motions? The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

*The result of the voting: the General Meeting has adopted the Resolution with 735 623 144 affirmative votes (99.94%), 251 negative votes (0.00%), and 8 000 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in*

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*proportion to the registered capital: Affirmative: 70.546958%, Negative: 0.000024%, Abstention: 0.000767%.)*

**I state that the General Meeting adopts the draft resolution in Resolution No. 3/2010 (IV.7.).**

**Chairman:** I would like to inform the shareholders that no motion was submitted to the Board of Directors in connection with the supplementation of the agenda within 8 days upon its publication, i.e. March 5, 2010, therefore it is not possible to adopt any further resolutions on the issues not included in the agenda published as part of the announcement. No further items can be included in the agenda at this General Meeting, because not all of the shareholders are present.

I propose that the General Meeting should approve the following order for discussing the items on the agenda in accordance with the announcement:

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1. Decisions regarding the resolutions adopted by the April 25, 2008 Annual General Meeting of the Company that have been rendered ineffective by the Metropolitan Court;
  - General information to Shareholders regarding the resolutions adopted by the April 25, 2008 Annual General Meeting;
  - Repeated decision on the approval of Magyar Telekom Group's Y2007 consolidated annual financial statements prepared according to the International Financial Reporting Standards (IFRS) and presentation of the relevant report of the Supervisory Board and the Auditor;
  - Repeated decision on the approval of the Company's Y2007 stand alone financial statements prepared according to the Hungarian Accounting Standards (HAR), presentation of the relevant report of the Supervisory Board and the Auditor and the repeated decision on the approval of the Y2007 company governance and management report and on the relief from liability of the members of the Board of Directors for 2007;
  - Repeated proposal of the Board of Directors for the use of the profit after tax earned in 2007, presentation of the relevant report of the Supervisory Board and the Auditor, repeated decision on the use of the profit after tax earned in 2007;
  - Repeated amendment of the Articles of Association of Magyar Telekom Plc. (1.4 Sites and Branch Offices of the Company; 1.6 The Scope of Activities of the Company; 1.8 Legal Succession; 4.5 Payment of Dividends; 5.1 Mandatory Dissemination of Information; 6.2 Matters within the Exclusive Scope of Authority of the General Meeting, Section (i); 7.4.1 The Board of Directors, Section (b); 7.6 Minutes; 8.3 Duties, 8.4.5 Rules of Procedure; 8.7 Audit Committee; 15.2 Notices);
  - Repeated amendment of the Rules of Procedure of the Supervisory Board;
  - Confirmation and approval of acting as members of the Board of Directors elected by the Annual General Meeting, held on April 25, 2008;
  - Confirmation and approval of acting as a member of the Supervisory Board, elected by the Annual General Meeting, held on April 25, 2008;
  - Confirmation and approval that the auditor and the natural person auditor, personally responsible for the audit activities, elected by the Annual General Meeting, held on April 25, 2008 acted as an auditor and confirmation and approval of its fee;
2. Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the company and Magyar Telekom Group in 2009;
3. Decision on the approval of the 2009 consolidated annual financial statements of the Company prescribed by the Accounting Act according to the requirements of the International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
4. Decision on the approval of the 2009 annual stand alone financial statements of the Company prepared in accordance with requirements of the Accounting Act (HAR); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
5. Proposal of the Board of Directors for the use of the profit after tax earned in 2009; presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor; decision on the use of the profit after tax earned in 2009;
6. Authorization of the Board of Directors to purchase ordinary Magyar Telekom shares;
7. Decision on the approval of the Corporate Governance and Management Report;
8. Decision on granting relief from liability to the members of the Board of Directors;

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9. Decision on the amendments of the Articles of Association of Magyar Telekom Plc.: 1.4 Sites and Branch Offices of the Company; 1.6.2. Other activities; 1.8. Legal Succession (1.8.4. and 1.8.5.); 2.4. Transfer of Shares (b), (c); 5.1. Mandatory Dissemination of Information; 6.2. Matters within the Exclusive scope of Authority of the General Meeting (I); 6.3. Passing Resolutions; 6.6. Occurrence and Agenda of a General Meeting; 6.8. Notice of General Meetings; 6.9. Supplements of the agenda of a General Meeting; 6.11. Quorum; 6.12. Opening the General Meeting; 6.14. Election of the Officials of the General Meeting; 6.18. Passing Resolutions; 6.19. Minutes of the General Meeting (6.19.1.); 7.2. Members of the Board of Directors; 7.4.1.; The Board of Directors (I); 8.2. Members of the Supervisory Board (8.2.1.); and 15.5. Miscellaneous;

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10. Decision on the modification of the Rules of Procedure of the Supervisory Board;
11. Election of Members of the Board of Directors and determination of their remuneration;
12. Election of Members of the Supervisory Board and determination of their remuneration;
13. Election of Members of the Audit Committee and determination of their remuneration;
14. Election of the Company's Auditor and determination of its remuneration. Designation of the Auditor who will be personally responsible for the audit of the Company and designation of the deputy auditor

I ask the Distinguished Shareholders whether there are any remarks or motions? If none, the voting ratio necessary to adopt the resolution sorry, there is one.

**Pál Kustra** shareholder: Pál Kustra, box 631. So, as I have just told, the Board of Directors, management, Supervisory Board of Magyar Telekom does not comply with the then effective Articles of Association and I think this deserves a before-the-agenda contribution. We have this 2006 contract, January, 2006. I have just asked, as according to the information available to me, this was concluded in violation of the Articles of Association and you spent HUF 21.6 billion on the investigation by the end of 2009, when I receive an answer? How is it possible that Magyar Telekom disregards its Articles of Association, spend this much and takes away this much money from the shareholders and besides, Mr. Christopher Mattheisen voted on the Macedonian investigation in February 2007, as it cost an additional HUF 17 billion for Magyar Telekom and I think this was the reason that triggered the misappropriation procedure at the Hungarian National Bureau of Investigation. So, when are you going to answer my questions? Thank you.

**Balázs Máthé:** Now. I maintain my standpoint that it is not related to the agenda, but let me briefly react to Mr. Kustra's comment. Let me first correct a factual piece of information, an allegation behind your question. The number that you mentioned, the slightly more than 20 billion is not at all paid only on the basis of the White & Case contract, but it also covers legal, financial, advisory, IT, etc. costs incurred during the investigation, started in 2006 and going on for more than 4 years in at least four countries by various authorities, including the attorney fees for the representation of more than 50 current and former Magyar Telekom employees etc. We, on the hand, already indicated it earlier in the minutes - that can be checked - and we also disclosed it. My more concrete answer is that the legal institute that you referred to is a very noble one, the right of shareholders to obtain information and questions. However, let me note that since January, 2006 Magyar Telekom has been properly, in details, coherently and continuously informing the shareholders at the New York Stock Exchange and the Budapest Stock Exchange in writing on the background, reasons, cost and all material circumstances of the investigation. None of the officially and professionally acting authorities, that I cannot all enlist now - obviously including the U.S. and Hungarian securities market supervisory authorities - complained about the disclosures but if they do we naturally respond properly. Once again, this legal institute we appreciate it and it has importance when something is suppressed or may be suppressed. You yourself, you noted Mr. Kustra that the Hungarian authorities, concretely the Hungarian National Bureau of Investigation investigates a misappropriation case. Naturally, as we have first disclosed it. What we continuously disclosed, continuously cooperate with the authorities and give them information, documents, all that we have. As far as I know now no suspect has been named so far which means that the investigation is against an unknown suspect. Naturally we inform the shareholders on the status, closing and outcome of the investigation as soon as we have information, in line with the relevant laws. This has been the case so far and this will be in the future. Thank you.

**Chairman:** Thank you, then the voting proportion related to this agenda item is simple majority. The proposal sorry, there are more comments.

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**Pál Kustra** shareholder: My name is Pál Kustra, box 631. First, I did not tell that you paid that much to White & Case. I said that you spent HUF 21.6 billion on the White & Case investigation. Anyway, I checked the 20-F reports and I found items like Telekom legal costs HUF 18 343 900 000. Legal cost of employees HUF 2 476 100 000. Audit related fees HUF 253 694 000. This totaled to HUF 21 573 694 000. So I did not say that you paid to White & Case, though it would be interesting to know how much White & Case received from this sum of HUF 18 billion. So even your informative is not correct. Otherwise I do not know how long how shall I put it Mr. Balázs Máthé has been replacing Christopher Mattheisen. I asked him when he saw this contract that was concluded with White & Case in

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January, 2006 in violation of the Articles of Association and that was signed by Klaus Hartmann and  Farkas on behalf of Magyar Telekom and Istv R on behalf of White & Case. Thank you.

**Bal M:** Thank you, I try to go through the items in due course. I did not say you said, I concretely told, the allegation behind your question. If it was no correct, I apologize, anyway, I think it was correct. The second thing, I would like to ask: what is your comment or question related to the approval of the agenda item Mr. Kustra? The third: the Chief executive officer, the Chairman of the Board of Directors, will naturally answer you in line with the provisions of the Gt., the Companies Act and the Articles of Association as he can, I mean as he can Mr. Kustra. This question is not related to the agenda of the General Meeting. If you have such questions please turn to us in writing and we answer them though our disclosures do contain the concrete answers. Thank you.

**Chairman:** Thank you. Comment.

**P Kustra** shareholder: P Kustra, box 631. The behavior of the management is totally unacceptable, they spent HUF 21.6 billion on a contract that violates the Articles of Association and they are reluctant to speak about it. Let me draw the attention of Mr. Mattheisen that since he has been the Chief executive officer he is personally responsible for the Company. So if you have not seen the White & Case contract concluded in January tell us, as you can be so uninformed. If you have seen it do not misguide the shareholders with saying that you do not know its content and with or without seeing it you voted on the Macedonian investigation in February, 2007.

**Bal M:** Briefly, but after this we would like to close it and vote on this agenda item. Let me tell Mr. Kustra, this contains our disclosures since January, 2006, I could read it out, I am sure that many people would receive much new information, because I am not sure that one has read all disclosures. Though I do not think that Mr. Kustra is among them. This precisely contains the reason of the investigation and all bodies, so not just one or two persons but all bodies who had the competence to decide, to take steps in this issue since January, 2006 including the Board of Directors, Supervisory Board, Audit Committee and they thought that this investigation was the correct thing. We think that it makes it clear why it was necessary and naturally when the ongoing authority investigations will be closed than we will come back to the goals and the justification of the costs in the form of a full scope informative. I do not wish to read it out, I think we owe it to our shareholders that we can vote on the agenda in the 50th minute of the General Meeting that is planned to be held for 5 hours. I propose this to the Chairman.

**Chairman:** Thank you. If there are no more questions related to the voting of the agenda

**P Kustra** shareholder: P Kustra, box 631

*[Shareholders debate that was not told in the microphone.]*

**P Kustra** shareholder: Look, according to the Articles of Association I make as many contributions for 3 minutes each as many I want and if you also disturb the General Meeting without any cause and thank you that you also contributed to it, then we will be here for a very long time today. So let me ask once again Mr. Mattheisen when he saw the White & Case contract concluded in January, 2006 and how long has he knew that it was concluded in violation of the Articles of Association. Thank you.

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**Chairman:** Any comments, is there one or none? Then I put the proposal regarding the agenda to vote. The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

*The result of the voting: the General Meeting has adopted the Resolution with 735 872 291 affirmative votes (99.98%), 6 371 negative votes (0.00%), and 0 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 70.570851%, Negative: 0.000611%, Abstention: 0.000000%.)*

**I state that the General Meeting adopts the order of discussion of the agenda items of the General Meeting, in line with the draft resolution in Resolution No. 4/2010 (IV.7.).**



**Chairman:** I open the discussion of the first agenda item.

**1. Decisions regarding the resolutions adopted by the April 25, 2008 Annual General Meeting of the Company that have been rendered ineffective by the Metropolitan Court**

**Chairman:** I ask dr. Balázs Máthé, chief legal counsel of the Company, to make known briefly the submissions and resolution proposals, respectively, for agenda item no. 1, and if there are questions or remarks, I ask him to answer them.

**Balázs Máthé:** Thank you Mr. Chairman. Briefly is obviously relative today, but I will do my best in the proceeding. First, I would like to provide general information to Shareholders regarding the case we already started to discuss upon shareholder's or claimant's comments. So we are speak about the resolutions adopted by the April 25, 2008 annual general meeting.

As the Company earlier disclosed two minority shareholders filed a lawsuit against Magyar Telekom Nyrt. on May 23, 2008, requesting the Court to render ineffective the resolutions adopted at the April 25, 2008 annual general meeting, including the resolution regarding the payment of dividend. In line with the April 25, 2008 resolution the Company duly paid the dividend to its Shareholders. The Metropolitan Court, acting as Court of Registration, entered the changes adopted by way of the resolutions to the company register.

On May 13, 2009 the first instance court rendered ineffective the resolutions adopted at the April 25, 2008 general meeting (except for one procedural type of resolution) with reference that the announcement on the general meeting of the Company was not published in the place of announcement of the Company, i.e. the Magyar Tőkepiac that was already ceased to be published in a printed format at the date of the publication of the announcement. The law office, representing Magyar Telekom, filed the appeal against the claim after the expiry of the relevant deadline. The Company submitted an excuse with respect to the belatedness of the appeal. The Company submitted an appeal against the court order rejecting the excuse. As the Company disclosed on March 23, 2010, the Supreme Court in its order dated February 16, 2010 and received by Magyar Telekom on March 22, 2010, i.e., it partly responds the previous question, after the publication of the preparatory materials to this General Meeting and the date of this General Meeting, approved the order of the second instance court rejecting the request for acceptance of the late appeal. According to the legal rules pertaining the excuse relating to the belatedness, until the delivery of the above decision of the Supreme Court, the Company had no information whether the late submission of the appeal regarding the 2008 General Meeting resolutions may be remedied and the case may be discussed at the second instance. After the delivery of the decision of the Supreme Court, the Company was informed that the late appeal may not be excused, and thus the appeal will not be reviewed at second instance.

The Company analyzed the evolved legal situation and took the view that on the basis of the relevant provisions of law, court decisions and the relevant literature the resolutions were rendered ineffective with *ex nunc* effect, i.e. they are not effective from the first instance ruling becoming final and binding, from July 7, 2009. In light of this, if the given resolutions must remain effective and enforceable in the future, they have to be re-adopted. Certain resolutions will not have a legal effect in the future, however, the actions taken on the basis of these resolutions have to be confirmed and approved so that the Company excludes or minimizes the possibility of any further legal disputes.

**Chairman:** Thank you very much. I ask the shareholders if you have any comments or motions?

**Balázs Máthé:** I make known the submissions.

**Chairman:** Please.

**Balázs Máthé:** Submission and resolution proposal for the repeated adoption of the resolution no. 4/2008 (IV.25.) rendered ineffective. According to the Companies Act and the Articles of Association it is the exclusive competence of the General Meeting to approve the financial statements of the company prepared according to the Accounting

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Act. In the preparatory materials to the General Meeting, the Y2007 IFRS financial statements, the respective report of the Supervisory Board and the independent auditor's report have been published. The verbatim resolution proposal:

The General Meeting repeatedly approves the 2007 Consolidated Financial Statements of Magyar Telekom Group prepared according to the International Financial Reporting Standards, with a Balance Sheet Total of HUF 1,135,578 million and Profit after tax for year 2007 HUF 73,056 million (before the deduction of HUF 12,901 million attributable to minority interests).

**Chairman:** Now I ask the Distinguished Shareholders whether there are any remarks or motions?

**László Kapcsos** shareholder: I greet everyone present, I am László Kapcsos and I have the voting device no. 629. I have the following question: neither the current Supervisory Board, nor the current auditor's report is available to the so-called repeated approval of the Y2007 consolidated annual financial statements. The documents attached hereto are dated 2008, they were issued by a Supervisory Board terminated since then, and an auditor, whose engagement was terminated since then. No report is available to the resolutions, to be submitted for approval to this Y2010 general meeting. Neither the current Supervisory Board, nor the auditor accepts liability for this? Why not? In this way, no valid voting on the financial statements is not possible according to the law. Thank you.

**Balázs Máthé:** As according to the opinion of the Company, the reports adopted by the Supervisory Board and the auditor, adopted then, and made available to You, is the basis of the approval. We understand that Your legal standpoint is different from ours, and this is represented by You at the court as claimant, obviously the court will decide. We think that this voting will be conducted in accordance with the law. Thank you.

**Chairman:** Other questions, remarks?

**Pál Kustra** shareholder: Pál Kustra, box no. 631. So here we are again to adopt the Y2007 financial statements. So in 2007 you spent HUF 5.7 billion on the investigation. In 2006 HUF 4.1 billion. In 2006 you concluded this White & Case agreement in violation of the Articles of Association, so how could we accept and of your 2006 data, when this certain investigation started with violation of laws? So in addition to that I told you recently, I would like to ask I wait for a little until you finish the chat. So I would like to ask repeatedly Mr. Mattheisen that when he saw the White & Case contract dated January, 2006, when did you make sure that it is against the Articles of Association, and after this why did you vote for the Macedonian investigation in February 2007 when this whole investigation started against the law?

**Chairman:** Please, Balázs Máthé.

**Balázs Máthé:** We think that, as there are various legal proceedings between Mr. Kustra and the Company, obviously the Company, and therefore in the interest of the shareholders, except Mr. Kustra in this particular case, we would not speak about ongoing proceedings in a way it is not connected to the agenda. Therefore, we propose to move forward according to the predefined agenda.

**Chairman:** Thank you very much. Mr. Kustra.

**Pál Kustra** shareholder: I think I did not receive an answer to my question. Pál Kustra, box no. 631. There is one thing, I have a labor lawsuit with Magyar Telekom, which is based on that I understood later on in 2009 that this January, 2006 agreement was concluded against the Articles of Association. But it is unacceptable that this HUF 21.6 billion spent from the money of the shareholders, and because of this thousands of employees had to be fired from Magyar Telekom, as you cut the costs on one side, to produce the results, and these employees could create value. And the Hungarian State could have tax revenues, and contribution revenues, so You made damages not only to the shareholders, but to the Hungarian State. So my question remains unchanged. Mr. Mattheisen, when did you learn that this January, 2006 agreement was concluded in violation of the Articles of Association and how this fact influenced your February, 2007 decision on the Macedonian investigation? Thank you.

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**Chairman:** Mr. Kustra, I would like to answer your question as follows. This is the standpoint of the firm, of the Company, that we acted in every state in accordance with the Act, laws. The Company has a legal dispute with You, and naturally, You have a different opinion on what happened. As we are in a legal dispute with you, I think here, at the General Meeting, it is not the right place and time to discuss this with You. Obviously, at the court or at other legal forum this question will be decided, but in details, I would like to request Mr. Balázs Máthé to try to close this topic, that you raise again and again. Mr. Máthé.

**Balázs Máthé:** I thought we have closed this but I would like to say the same what was told by the Chairman. I think this forum, the shareholders convened by the Board of Directors according to the agenda, to which shareholders may propose supplements according to the Companies Act, is about to decide on the more important matters of the Company. We are at the annual general meeting. We discuss more important events of the business of Y2009. I think we should not speak about the White & Case contract, and not about the ongoing investigation regarding misappropriation of assets. I tell you again, the right to information of the shareholders is a very noble legal institution. I think we cannot speak about suppress in a case where the Hungarian authority is conducting an investigation for more than one year. Obviously I would not speak about Your labor lawsuit, which is at the best place, at the independent Hungarian court where we represent our standpoint, You represent Your standpoint, and where appropriate legal remedies are available and finally will be decided. If You will have right, we will comply with the judgment of the court. So I think that the Chairman must should continue and the shareholders must decide on the items of the agenda. I think this is the closing.

**Chairman:** Thank you very much.

**Pál Kustra** shareholder: Pál Kustra, box no. 631. This question can be closed very easily. Mr. Mattheisen should only answer to the question when he saw the White & Case contract dated January, 2006, and he made the decision in February, 2007 that the investigation will be expanded to the Macedonian investigation. Otherwise independently of the legal dispute we have, the shareholders must know that on what you have spent this HUF 21.6 billion and that this investigation started by violating the Articles of Association, or at least at the time the contract was signed. How can we trust in a management when they can't answer such a simple question? And after that we are surprised at the various news in the press? For example Mr. Mattheisen is interviewed as a suspect? I read this last year in the press. Someone should be responsible for the HUF 17 billion that you spent since the beginning of 2007. So Mr. Mattheisen, please answer to the original question and I will not analyze this further.

**Chairman:** Mr. Kustra, I have seen this contract, this 2006 contract and I can say that this is not in violation of the Articles of Association. Mr. Máthé.

**Balázs Máthé:** I would like to react on your second comment: being interviewed as a suspect. Previously I indicated that according to our information there is no suspect in the case. Hvg.hu, which wrote this: at first instance, we won the case against hvg.hu, they appealed against it, we won the press correction case, they will publish it and will say sorry. Obviously we have a conflict of interest, I cannot give You legal advice, please check the liabilities related to telling false information. Thanks.

**Chairman:** Once again I ask are there other question of comments? Mr. Kustra. This is the last question.

**Pál Kustra** shareholder: I can ask as many times as I want. And I will make the appropriate steps when Mr. Mattheisen rejects to answer to me. Anyway, I am Pál Kustra, box no. 631. I stood up now because I wanted to say thank You, that you have replied for the n time to the question whether You have seen the contract and You think it is not against the Articles of Association. I hope that the Hungarian National Bureau of Investigation will state this. But then, we spoke about the press, and there are different rumors, it was published that you would like to resign. So

my question is the following: did You indicate to Deutsche Telekom that you want to resign?

**Chairman:** No, no.

**Pál Kustra** shareholder: No?

**Chairman:** Thank you, but this is not connected to what we are about to vote. The answer is no, but this is absolutely not connected to the agenda point.

**Pál Kustra** shareholder: They say that

**Chairman:** Please, if you have questions or comments connected to this item, I am pleased to respond, but if not, not.

**Balázs Máthé:** Maybe there will be agenda item on the personal proposals, I think you will vote and comment on it. Maybe we can vote now.

**Chairman:** Please.

**Pál Kustra** shareholder: It is material to make these clear at the agenda item because if there are questions which raise the issue of the credibility of the management, the Board of Directors and the Supervisory Board at Magyar Telekom, then, according to my opinion, there can be no voting, how should I say, on the 2007, 2008, 2009 balance sheets, but the only way is that You collectively resign and make place to others, who can manage this company honestly.

**Chairman:** Thank you for the comment and now we would like to put it to the vote. The voting ratio necessary for adopting this resolution is simple majority.

*The result of the voting: the General Meeting has adopted the Resolution with 735 020 117 affirmative votes (99.89%), 594 271 negative votes (0.08%), and 2 264 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 70.489127%, Negative: 0.056991%, Abstention: 0.000217%.)*

**I state that the General Meeting adopts the draft resolution in Resolution No. 5/2010 (IV.7.).**

Thank you.

**Balázs Máthé:** I make known the submission and resolution proposal for the repeated adoption of the resolution no. 5/2008 (IV.25.) rendered ineffective. According to the Companies Act and the Articles of Association it is the exclusive competence of the General Meeting to approve

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the report of the company prepared according to the Accounting Act. In the preparatory materials to the General Meeting, the Y2007 HAR financial statements, the respective report of the Supervisory Board and the independent auditor's report have been published. The resolution proposal:

The General Meeting repeatedly approves the 2007 Annual Financial Statements of the Company prepared according to the Hungarian Accounting Regulations (HAR), with a Balance Sheet Total of HUF 942,877 million and After-tax Net Income of HUF 35,634 million.

*[In the meantime he asks the auditor which one is correct: reading out with billion or million. Answer: billion.]*

**Chairman:** I ask the Distinguished Shareholders whether there are any remarks or motions?

**László Kaposos** shareholder: László Kaposos and I still have the box no. 629. This will be very fast, I think, just one thing. Similarly to my previous question, the problem is the same as in the case of the consolidated financial statements, the valid Supervisory Board and auditor approvals are missing behind this resolution proposal too. The 2008 resolution, which adopted the annual report and which was preliminary approved by the 2008 reports, has been rendered ineffective by the court. Two years lapsed, this is a totally different general meeting with a new



Supervisory Board, with an auditor with a new mandate, where are their reports? This was my question and I have one comment: I am pleased that it is so good for the company that the decision on millions and billions is made in such conversations. Thank you.

**Balázs Máthé:** We understand, thanks, this is Your standpoint and the court will decide. We organized the general meeting according to our standpoint and the voting will be made based on this, Thank you very much.

**Chairman:** Thank you very much. Any other remarks or questions? If none, the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

*The result of the voting: the General Meeting has adopted the Resolution with 735 020 062 affirmative votes (99.89%), 594 271 negative votes (0.08%), and 2 319 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 70.489122%, Negative: 0.056991%, Abstention: 0.000222%.)*

**I state that the General Meeting adopts the draft resolution in Resolution No. 6/2010 (IV.7.).**

Mr. Balázs Máthé.

**Balázs Máthé:** I make known the submission and resolution proposal for the repeated adoption of the resolution no. 6/2008 (IV.25.) rendered ineffective. According to the Companies Act, if the shares of the company are listed in the Budapest Stock Exchange, the Board of Directors, together with the report prepared according to the Accounting Act, shall submit the corporate governance report to the General Meeting and in the report the Board of Directors summarizes the responsible corporate governance activities in the given year and presents the deviations from the recommendations of the Corporate Governance Recommendations of the Budapest Stock Exchange. According to the above referred Section of the Companies Act and the Articles of Association it is the exclusive competence of the General Meeting to approve the report. In accordance with the Companies Act, the Supervisory Board preliminarily approved the Corporate Governance and Management Report of the Company on 2007 with resolution no. 1/7 (2008.03.26.). The verbatim resolution proposal:

The General Meeting has reviewed and repeatedly approves the Corporate Governance and Management Report of the Board of Directors of Magyar Telekom on the financial year of 2007.

**Chairman:** I ask the Shareholders whether there are any remarks or questions

**László Kapsos** shareholder: Box no. 629, László Kapsos. My comment is basically similar to my comment made to the previous point. I want to make note at the Corporate Governance Report that based on the Supervisory Board resolution no. 1/7 (03.26.2008) valid voting on this resolution is not possible. I think Mr. Máthé will react in the same way in substance as previously. Thank you.

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**Balázs Máthé:** Yes, I told you our standpoint at the discussion of the previous comment, and I would like to refer to it in the same way, that is right, thank you.

**Chairman:** Other remarks, questions? If there are none, I ask the Shareholders to vote. The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

*The result of the voting: the General Meeting has adopted the Resolution with 735 020 332 affirmative votes (99.89%), 594 001 negative votes (0.08%), and 2 319 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 70.489148%, Negative: 0.056965%, Abstention: 0.000222%.)*

**I state that the General Meeting adopts the draft resolution in Resolution No. 7/2010 (IV.7.).**

I have a minor comment. I hear music from that corner. There is some noise and

*[Reply told not in the microphone.]*

Air conditioning? OK, good. I just wanted to make sure that this does not cause interference with the devices. Now I ask Mr. Balázs Máthé to present the next resolution item.

**Balázs Máthé:** Thank you. I make known the submission and resolution proposal for the repeated adoption of the resolution no. 7/2008 (IV.25.) rendered ineffective. According to the authorization of the Companies Act, the Articles of Association of the Company provides for the relief that can be granted to the senior managers. Through granting the relief the supreme body, the general meeting, certifies that the senior managers worked in the assessed period with giving priority to the interest of the business association. According to the Articles of Association it is the exclusive competence of the General Meeting to evaluate the work of Board members in the previous year and to decide on the grant of relief. The verbatim resolution proposal:

The General Meeting, having evaluated the work of the Board members of the Company, repeatedly decides on granting the relief from liability for the Board members of the Company with respect to the 2007 business year in accordance with Section 30 (5) of Act IV. of 2006 on Business Associations. The evaluation and the relief from liability granted by this resolution shall not apply to the liability of the Board members arising from their gross negligence or willful misconduct.

**Chairman:** I ask the Shareholders whether there are any remarks or motions?

**László Kaposos** shareholder: László Kaposos, no. 629. And somehow it differs from the previous comments that I would like to say. That is to say, according to the Act, a relief can be given only, I emphasize, only with respect to the previous business year. The previous business year is 2009. What is Your basis that a relief for Y2007 can be given to anyone in a general meeting held on 2010? Otherwise this point in the Companies Act, from which Mr. Máthé quoted recently, contains this provision. So again, a relief can be given only with respect to the previous business year. Thank you.

**Balázs Máthé:** I agree. With respect to the April, 2008 general meeting, the previous year was 2007, and we adopt the 2008 general meeting resolutions again.

**László Kaposos** shareholder: Thank you for the answer. I can't accept. In my time today is April 7, 2010, and I can't disregard it. So I think that today we are at the General Meeting of April 7, 2010 of Magyar Telekom. If You merge different general meeting resolutions, this is Your matter. But this general meeting is the 2010 general meeting. Thank you.

**Chairman:** If there are no more comments, I ask the shareholders... Excuse me.

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**Pál Kustra** shareholder: Pál Kustra, box no. 631. I would like to read out from the effective Articles of Association to You what is about the signing on behalf of the company. So from the 2006 Articles of Association. The company shall be bound by the signature of (i) two members of the Board of Directors, or by a member of the Board of Directors and an employee of the Company authorized for this purpose by two members of the Board of Directors, or by two employees of the Company authorised for this purpose by two members the Board of Directors. So when Mr. Mattheisen recently told that the 2006 contract was signed in accordance with the Articles of Association, he contradicted Mr. Balázs Máthé who told at last year's general meeting the following verbatim quotation: The important thing is that Mr. Ádám Farkas did not sign the contract on behalf of the company. His signature is on the contract as the Chairman of the Audit Committee who acknowledges the content of the contract. With that he expressed that the Audit Committee, in its supervisory competence by the necessary internal investigation, finds the retention appropriate. This was the essence of the signature. Anyway, how the signature on behalf of the company he did provide, this was not signed on behalf of the company and this is the important thing. After this Ádám Farkas made the following statement: I would like to answer your question. I countersigned the contract,