TABLE OF CONTENTS

1. PRESIDENT’S REPORT 4
2. CHIEF EXECUTIVE OFFICER’S REPORT 7
3. AMCHAM CODE OF ETHICS 10
4. CHAMBER ORGANIZATION 11
   4.1. OFFICERS AND BOARD OF GOVERNORS 2005-2006 11
   4.2. COMMITTEES AND CHAIRPERSONS 12
   4.3. STAFF 13
5. LOBBY REPORT 14
6. SECRETARY TREASURER’S REPORT 20
   6.1. AMCHAM’S REVENUE STRUCTURE IN 2005 23
   6.2. AMCHAM’S COST STRUCTURE IN 2005 24
7. COMMITTEE REPORTS 26
   7.1. CONTRACT MANUFACTURERS’ WORKING GROUP 26
   7.2. CORPORATE GOVERNANCE COMMITTEE 28
   7.3. ENVIRONMENTAL COMMITTEE 31
   7.4. EURO-ATLANTIC COMMITTEE 32
   7.5. HEALTHCARE COMMITTEE 35
   7.6. INFORMATION TECHNOLOGY COMMITTEE 37
   7.7. LABOR AND EDUCATION COMMITTEE 38
   7.8. MEMBERSHIP COMMITTEE 40
   7.9. SMALL AND MEDIUM Sized ENTERPRISES COMMITTEE 42
   7.10. TAX AND CUSTOMS COMMITTEE 43
   7.11. TRANSPARENCY COMMITTEE 46
8. AMCHAM FOUNDATION (ACF) 49
   8.1. FINANCIAL STATEMENTS OF THE AMCHAM FOUNDATION 50
   8.2. HIGHLIGHTS OF 2005 53
9. COMMUNICATIONS 56
   9.1. PUBLICATIONS 56
   9.2. AMCHAM’S PRESS RELEASES 2005-2006 60
   9.3. AMCHAM IN THE PRESS 61
   9.3. PRESS EXCERPTS 62
10. EVENTS SUMMARY FOR 2005-2006 67
    10.1. CALENDAR OF EVENTS 70
11. LIST OF MEMBERS AS OF SEPTEMBER 29, 2006 86
    11.1. PATRON MEMBERS 86
    11.2. CORPORATE MEMBERS 87
    11.3. BUSINESS MEMBERS 89
    11.4. NON-PROFIT MEMBERS 94
    11.5. INDIVIDUAL MEMBERS 95
    11.6. HONORARY MEMBERS 96
1. PRESIDENT’S REPORT

Dear Members and Friends,

It has been an honor and a pleasure to serve as AmCham President for the past two years, building on the already strong foundation of AmCham Hungary established over the prior 15 years. I would like to thank our Members, committee members and chairs, Board members and staff for your continued support and dedication.

For me personally, I may liken the AmCham experience to “sipping from a fire hydrant”. With over 130 events a year, it is simply not possible to savor but a few drops from the torrent. Main highlights included AmCham’s 15th Anniversary celebration in the magnificent building of the Hungarian Parliament, with our guest of honor, Dr. Ferenc Mádl. Then there was the AmCham U.S. Election Night Party on November 2, 2004, the largest event in our history, with some 1500 attendees.

AmCham’s guest speakers have included the most illustrious of political and business leaders, from the US and Hungary: Emerson Electric CEO David N. Farr (November 2004), State Audit Office President Árpád Kovács (March 2005), former Prime Minister Viktor Orbán (June 2005), Cisco Systems CEO John T. Chambers (June 2005 and September 2006), EU Commissioner László Kovács (August 2005), GE global CEO & Chairman Jeff Immelt (October 2005), Economic Minister János Kóka (November 2005), former head of the Hungarian Central Bank, György Surányi (December 2005), US Congressman Tom Lantos (January 2006), Executive President of VOSZ Sándor Demján (February 2006), Prime Minister Ferenc Gyurcsány (March 2006), producer Andy Vajna (April 2006), outgoing U.S. Ambassador George Herbert Walker (June 2006), and incoming U.S. Ambassador April Foley (September 2006).

AmCham has continued its tradition of publishing Position Briefs. On April 25, 2005, the Corporate Governance committee, under the stewardship of László Czirják, published a Position Brief on Corporate Governance. In September 2006, the Health Care Committee, led by László Polák, published a Position Brief on the subject of reforming the Hungarian health sector. AmCham’s many committees continue to serve as a “think tank” on the many facets of competitiveness issues facing Hungary, with prolific output also happening in the areas of public sector reform and taxation.

In mid-2005, AmCham together with the Gallup Organization launched the Investors’ Barometer survey, the results of which showed that our members would prefer to see lower taxes, better availability of a suitable workforce, lower employ-
ment costs and better transparency as necessary improvements to the business and investment environment in Hungary.

In March 2006, AmCham, together with the German Chamber of Commerce and the Joint Venture Association, organized the Second Political and Corporate Leaders’ Forum, with senior leaders of all major parties present, who along with business leaders, were invited to express their vision for Hungary’s future, with particular focus on issues affecting national competitiveness that await substantial reform, namely public sector, taxation, labor market and transparency.

Immediately after the parliamentary elections of April 24, 2006, AmCham, together with 15 other business organizations, published a Proclamation by way of full-page advertisements in national newspapers, calling for the four political parties to join in an “Agreement for our Future”. The Proclamation identified four key areas of change: responsible and sustainable economic policy; public sector reform; service-oriented healthcare; and tax reform to increase competitiveness. The main goal was to initiate three-sided talks involving the business community, the government and the parliamentary parties about these key issues.

The Government decided instead to develop its blueprint for deficit reduction mostly behind closed doors. At the time the Government announced its restraint package, the AmCham Board decided to publish a press release, raising concerns that the Government’s measures would gravely deteriorate Hungary’s national competitiveness, that the restraint package would do little to broaden the tax base and diminish the grey economy, but raise taxes for those that are already paying relatively high taxes in relation to value received from Government.

In June 2006, AmCham organized a conference with ICEG on the subject of euro convergence, deficit reduction, and creating a competitive tax regime. I would like to express my special appreciation to Botond Rencz, head of our tax working group for his genuine efforts in this field.

In June 2006, the AmCham Board of Governors had a unique opportunity to meet U.S. president George W. Bush on his visit to Hungary. AmCham executives were invited to the lunch in parliament, and the entire Board was invited to attend President’s Bush address on Gellért Hill at the Citadella. I would also like to again express my special thanks to Ambassador George Herbert Walker, former U.S. Ambassador to Hungary, and to April Foley, the current US Ambassador to Hungary, for your extraordinary support towards AmCham.

One of the flagship services of AmCham has been our monthly magazine, Business
Hungary. Last year we announced a nationwide tender for the publishing rights of Business Hungary magazine, as a result of which we contracted PrintXBudavár Rt. I am pleased to say that in a recent membership survey, fully 80% of those surveys believed that the quality of Business Hungary had improved during the past year. This was no slight accomplishment, given the already high quality of the magazine.

The AmCham Foundation, acting as a conduit for approximately 60 Members, supported three child care organizations specialized in therapy and development training for handicapped children, to the tune of HUF 4 million in cash, and HUF 7 million of in-kind donations.

The job of AmCham Chairman and President, being a voluntary position while holding another full-time position, inevitably leads to burning many a candle on both ends. AmCham has been on average a 60-80 hour per month commitment during the course of the past two years. Every month there is a Board meeting, usually an Executive Committee meeting, 5-10 public appearances, various interviews, a column in Business Hungary, preparation of submissions to Government, Position Briefs, etc. Leading this somewhat schizophrenic existence for two years would not have been possible without there being incredibly strong teams both at AmCham as well as at my firm, Euro-Phoenix. I therefore owe thanks to both the AmCham team led by Péter Fáth for a fantastic job, and my colleagues at Euro-Phoenix for supporting me in this public service function.

Above all, I owe thanks to my wife Julia and son, Les Jr., for being ever-so-supportive, never once complaining about the inevitable diversion of time from family to AmCham.

Last, and far from least, thanks to AmCham Members, for your support and contributions throughout. I wish every success to my successor, and to AmCham Hungary in the future!

Sincerely,

Les Nemethy
President
2. CHIEF EXECUTIVE OFFICER’S REPORT

Dear AmCham Members,

Over the past 12 months AmCham has organized more so-called “big” events than in any other 12 month period in AmCham’s history.

It started with the Prime Minister’s visit to the US where I had the fortune to represent the Chamber. Prime Minister Gyurcsány and the ministers accompanying him were received at the highest possible level by the US government, including a discussion with George W. Bush in the White House. For me personally, the highlight of the program was an outstanding presentation given by the Prime Minister and Minister Kóka in front of over 150 top American business leaders at the US Chamber of Commerce in Washington D.C.

While I was in the US, AmCham organized one of the best attended Seminar & Cocktails in its history. Over 168 participants took part! The seminar, sponsored by Weber Shandwick, dealt with the vital role of corporate social responsibility and included as speakers Nancy Goodman Brinker, former US Ambassador to Hungary; Imfred de Jong, CEO of Nokia Hungary and Brendan May, Head of Corporate Social Responsibility, Weber Shandwick UK.

The CEO of “the most valuable company on the World” (GE) Jeff Immelt fills every room anywhere on the planet, and when he visited Budapest on October 27, 2005, it was no different. In his speech on global growth opportunities, Immelt pointed out that if Hungary wants to be a leading economy, it will have to significantly increase the proportion of technical university graduates.

In November 2005, during our 15th Thanksgiving Dinner, more than 300 guests shared with us the spirit and tradition of one of America’s favorite holidays. On behalf of the AmCham Foundation, I would also like to thank all those who participated in the Thanksgiving Charity Drive this year! With your support we were able to hand over HUF 13.2 million worth of cash and in-kind donations to organizations in Hungary helping children in need.

Following the busy winter season, we all returned and started off the new year with the AmCham-Aktív Faktorház Valentine’s Day Ball on February 11, 2006. As in previous years the Valentine’s Day Ball provided an unforgettable night of entertainment with participants dancing until 3 am.
The next “big event” that I would like to mention took 6 months to organize. On March 7, 2006, AmCham co-organized the 2nd Political and Corporate Leaders’ Forum. You can read more about it in Les’s letter, but let me tell you it was quite a challenging task to organize. We ended up with three party Presidents and one Vice President (Mihály Varga from Fidesz-MPSZ). It was very interesting since, as far as I can recall, this was the only event prior to the parliamentary elections where all the political parties publicly showed some kind of agreement on what should be done in order to improve Hungary’s future.

The 2nd Political and Corporate Leaders’ Forum was not the only highlight in March 2006. In the same month, we also greeted Prime Minister Gyurcsány on the AmCham podium where he outlined the main aims of the National Development Plan.

In April, we purposely did not invite any politicians, and rather focused our attention on an unprecedented joint action with 15 other business organizations in Hungary. On April 24, 2006, one day after the parliamentary elections, we jointly published a proclamation titled “Agreement for our Future” (full text available on page 58–59). Since the launch, numerous other organizations have joined the initiative and we are still coordinating on major issues. Unfortunately, witnessing what is happening nowadays on the streets of Budapest, I can only state that every single word in the proclamation is still as relevant today as on the day it was published.

As we entered the summer months, AmCham hosted one of the biggest names in Hollywood: Andrew Vajna. During the event, Vajna not only moved us with his story about how he left Hungary at the age of 12, and more importantly how he loves this country, but also indicated how the Hungarian government can help to promote the growth of the entertainment industry in Hungary.

May 21, 2006, also stands out again from our list of our events, when in spite of bad weather, 278 people took part in the AmCham Foundation Charity Golf Tournament and Family Day. Congratulations to the organizers and many thanks to all those who contributed to the event.

The biggest event, maybe not for the AmCham, but surely for the entire country was the visit of George W. Bush, President of the United States, to Hungary. The photos taken during his speech on the Gellert Hill were shown around the world and certainly provided the best advertising for Hungary in the past decade.

At the end of June, we sadly bid farewell to U.S. Ambassador Herbert Walker and his wife Carol and thanked him for his continued support of the Chamber. Although
he was not a “professional diplomat” his efforts during his tenure in Hungary made a significant impact on the development of US – Hungarian relations and co-operations.

After saying goodbye, I could not have imagined a better start to the autumn season, as we were honored to host the new US Ambassador to Hungary, April H. Foley on September 14, during her first public address as Ambassador.

I would like to take this opportunity to thank all members of the AmCham Board for their commitment to the Chamber. I hope other members of the Board do not mind if I only highlight those Board members whose term is currently coming to an end. First of all, on behalf of all members I would like to thank Les Nemethy, President, for his dedication. I can verify that the number of hours he mentioned in his letter were certainly spent on the AmCham, sometimes even more. Thank you Les! I would also like to thank Les for suggesting the use of a Position Brief to communicate AmCham’s lobbying messages and for the amount of time that he invested in making this publication the high quality product that it is today. Next, I would like to thank Peter Freed, who is an AmCham member for over a decade now. Peter developed our monthly magazine Business Hungary to the level where it is today. Thank you Peter! David Young has also been active in the Chamber for more than ten years now. Most recently, he was the very capable chair of the Membership Committee, where he was behind the new Membership Welcome Pack, the systematic approach to membership matters and many other initiatives. Thank you David! The fourth outgoing Board member is Stewart Oldroyd. Since he is running for the position of Board member again this year, I can only say: Thank you Stewart!

I would also like to thank László Metzing and every single staff member for their dedication. AmCham Hungary is very lucky because behind our members and volunteers we have a very capable staff who can support the great ideas with hundreds of follow up calls, minutes, letters and a full range of admin and intellectual support.

Last, but certainly not least I would like to thank the support of every AmCham members. With your professional help this tiny organization has become the 8th largest AmCham in Europe and one of the most respected business organizations in Hungary.

Sincerely yours,

Péter Fáth
3. AMCHAM CODE OF ETHICS

As an organization dedicated to the development of international business with Hungary, AmCham considers as one of its most significant goals the establishment of high standards of business conduct and principles of good corporate citizenship. In this regard, AmCham takes an active and leading role in promoting business standards and principles first, by adopting its own code of business practices; second, by encouraging AmCham members to adopt their own codes of business practice, and third, by organizing programs and events that foster good corporate citizenship.

CODE OF BUSINESS PRACTICES
Business activity should be based on honesty, integrity, fairness, and social responsibility.

SUCH ACTIVITY IS DEFINED BY:

1. Safe and healthy workplace
2. Fair employment practices
3. Responsible environmental protection
4. Compliance with relevant laws and the rule of law
5. Responsible treatment of customers and clients
6. Involvement and engagement in the community i.e. good corporate citizenship

George W. Bush, President of the United States of America with Les Nemethy, President of AmCham on June 22, 2006 in Budapest
4. CHAMBER ORGANIZATION

4.1. OFFICERS AND BOARD OF GOVERNORS
2005–2006

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Fax: 36 1 266-9888
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### 4.2. COMMITTEES AND CHAIRPERSONS

<table>
<thead>
<tr>
<th>Committee Name</th>
<th>Chair</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONTRACT MANUFACTURERS’ WORKING GROUP</strong>&lt;br&gt;Working Group Chair: Ferenc Báti&lt;br&gt;Tel: 36 20 9294-581 • E-mail: <a href="mailto:ferenc.bat@ty.com">ferenc.bat@ty.com</a></td>
<td>Mission: To initiate projects of common interest with the aim of creating and maintaining favorable business environment for companies working in this area.</td>
<td></td>
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<tr>
<td><strong>ENVIROMENTAL COMMITTEE</strong>&lt;br&gt;Committee Chair: James Lenoci&lt;br&gt;Tel: 36 23 510-919 • E-mail: <a href="mailto:lenoci@lenoci.hu">lenoci@lenoci.hu</a></td>
<td>Mission: To promote sustainable development in Hungary, concurrent with continual social and economic improvements.</td>
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<tr>
<td><strong>HEALTHCARE COMMITTEE</strong>&lt;br&gt;Committee Chair: Laszlo Polák&lt;br&gt;Tel: 36 23 510-919 • E-mail: <a href="mailto:polak@jshuj.jshu.com">polak@jshuj.jshu.com</a></td>
<td>Mission: To work with the Health authorities and the medical community to identify the changes needed in the Hungarian healthcare system; and to assist the Hungarian government during implementation. To provide feedback on practical problems, interpretation and implementation of the benefit of the Hungarian healthcare system and AmCham members. Continuous project: Healthy Workplace Program.</td>
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<tr>
<td><strong>SME COMMITTEE</strong>&lt;br&gt;Committee Chair: Mark Arnold&lt;br&gt;Tel: 36 450-6381</td>
<td>Mission: To influence the development of Government policy relating to SMEs by regular contact and lobbying initiatives with the Ministries of Finance and Economics and Transportation. To help AmCham SME members establish and develop long-term links with large members of AmCham.</td>
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<tr>
<td><strong>POLITICAL AND LEGISLATIVE COMMITTEE</strong>&lt;br&gt;Committee Chair: László Szakál&lt;br&gt;Tel: 36 30 515-5555 • E-mail: <a href="mailto:szilvia.grof@ge.com">szilvia.grof@ge.com</a></td>
<td>Mission: It is the duty of the Committee to make recommendations to the Board with regard to the position of the Chamber on: 1. Questions affecting the members of the Chamber relating to the adoption of laws and the exercise of rights, 2. Other matters affecting the economic activities of the members, 3. According to the guidelines set by the Board, the Committee cooperates with the government and local governments to further improve the economic and legal environment affecting the business activities of the members of the Chamber.</td>
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<tr>
<td><strong>TAX AND CUSTOMS COMMITTEE</strong>&lt;br&gt;Committee Chair: Csaba Répassy&lt;br&gt;Tel: 36 451-8227 • E-mail: <a href="mailto:csabarepassy@hu.y.com">csabarepassy@hu.y.com</a>&lt;br&gt;Strategic Tax Issues: Botond Rencz&lt;br&gt;Tel: 36 451-8100 • E-mail: <a href="mailto:botond.rencz@hu.y.com">botond.rencz@hu.y.com</a></td>
<td>Mission: To identify and implement the changes needed in the Hungarian customs and tax legislation to help the Hungarian government and the AmCham members. To identify most important issues arising from the accession to the EU. To provide feedback on the technical problems of interpretation and implementation in order to improve the practice including follow-up.</td>
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<td><strong>CORPORATE GOVERNANCE COMMITTEE</strong>&lt;br&gt;Committee Chair: László Czirják&lt;br&gt;Tel: 36 1 200-40/15 • E-mail: <a href="mailto:laszlo@europe.com">laszlo@europe.com</a></td>
<td>Mission: To improve education and to increase the awareness of Good Governance - through promotion and accessibility to best Corporate Governance practices and thereby improve the competitiveness and the economic value of businesses and organizations in Hungary.</td>
<td></td>
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<tr>
<td><strong>EURO-ATLANTIC COMMITTEE</strong>&lt;br&gt;Committee Chair: Dr. Károly Feléte&lt;br&gt;Tel: 36 1 409-5100 • E-mail: <a href="mailto:feletek.karoly@axelero.hu">feletek.karoly@axelero.hu</a></td>
<td>Mission: To promote Euro-Atlantic cooperation by becoming the prime discussion forum, the best source of reliable and practical information and an active contact point for members on all issues European and those related to the European Union in particular.</td>
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<td><strong>INFORMATION TECHNOLOGY COMMITTEE</strong>&lt;br&gt;Committee Chair: Dr. Péter Paul&lt;br&gt;Tel: 36 382-5613 • E-mail: <a href="mailto:Peter.Paul@hu.ibm.com">Peter.Paul@hu.ibm.com</a></td>
<td>Mission: The IT Committee aims to maintain and broaden its dedicated, active membership, publish and publicize the results of last year’s projects, identify new focus areas of interest and organize activities in respective workgroups, continue to represent and articulate the interest of AmCham members, contribute to the activity of other AmCham initiatives, and position ICT in the new National Development Plan according to the interest of the membership.</td>
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<tr>
<td><strong>MEMBERSHIP COMMITTEE</strong>&lt;br&gt;Committee Chair: David Young&lt;br&gt;Tel: 36 1 391-0970 • E-mail: <a href="mailto:david.young@amrophever.com">david.young@amrophever.com</a></td>
<td>Mission: To increase the AmCham membership by targeting quality companies - with an emphasis on companies with a dear interest in the United States; to work for the retention of quality members, to assist the Board and AmCham committees in all areas related to membership with a view of extending the scope of our services and providing value for an increasing range of businesses.</td>
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<tr>
<td><strong>LABOR AND EDUCATION COMMITTEE</strong>&lt;br&gt;Committee Chair: Stewart Oldroyd&lt;br&gt;Tel: 36 1 30 515-5555 • E-mail: <a href="mailto:stewart.oldroyd@t-online.hu">stewart.oldroyd@t-online.hu</a></td>
<td>Mission: To address many issues of strategic importance to AmCham and its members, and to Hungary’s national competitiveness, relating to labor policies and education matters. To maintain or improve Hungary’s flexible labor policies, including the specific interests of member groups such as regional service centers, contract manufacturers, etc. To continue the committee’s earlier work in the education area, addressing issues such as vocational training, lifelong learning, language training, the needs of employers, and the Bologna process.</td>
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<tr>
<td><strong>TRANSPARENCY COMMITTEE</strong>&lt;br&gt;Committee Chair: André T. Mecș&lt;br&gt;Tel: 36 1 214-3221</td>
<td>Mission: 1. Identify key issues in the field of transparency. 2. Come up with concrete suggestions for improvement, and 3. Follow-up recommendations and identify steps to ensure concrete results. The Committee is currently working on a) Access to information, b) Financing of political parties, c) Public administration and law enforcement, and d) Public procurement.</td>
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</table>
4.3. STAFF

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(2006 Spring)

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ZSUZSA SZANISZLÓ
Intern

ANIKÓ KRAFT
Intern
## 5. LOBBY REPORT

### POLITICAL AND LEGISLATIVE COMMITTEE

*Chairperson: Dr. László Szakál (EDS Hungary)*  
*Coordinator: Beatrix Kovács*

### 2005

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>TIME</th>
<th>ACTIVITY</th>
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<tbody>
<tr>
<td>Trip to Washington D.C.</td>
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<tr>
<td>Business Forum with Dr. János Kóka, Minister of Economy and Transport</td>
<td>November 24</td>
<td>Minister’s speech on “Four Challenges - Four Answers: Convergence, Tax Reduction, Highway Construction and Reform of Social Spending”</td>
</tr>
</tbody>
</table>

### 2006

| Meetings with Chairs of Inter-ministerial EU Coordination and AmCham Committee Chairs | January-February | Cooperation with Hungarian ministries and government bodies in the decision-making process related to EU legislation. |
Ministry of Finance:
Taxation, State donations,
central budget
Ministry of Justice:
Public procurement, Company Act
Initiated by Euro-Atlantic and the
Political and Legislative Committees

**Business Roundtable with** February 28
Sándor Demján, Executive
President of the National
Association of
Entrepreneurs and
Employers

Discussion with major
representatives of the business
community on “What does the
Hungarian economy need?”

**Second Political** March 7
and Corporate
Leaders’ Forum

Aims of the Forum:
(a) to understand the political and
economic vision of the political
parties;
(b) to influence them by
arguments and facts in the
preparation period to improve the
international competitiveness of
Hungary

**Issues Covered:**
1. Public sector reform
2. Taxation
3. Labour force / Education
4. Transparency

Speakers: Party chairs / vice chairs / experts from the four parliamentary parties and representatives of the business community.
Organizers:
American Chamber of Commerce
German-Hungarian Chamber of Industry and Commerce
Joint Venture Association

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Forum with Prime Minister Ferenc Gyurcsány</td>
<td>March 20</td>
<td>Event co-organized with the Canadian Chamber of Commerce and the Permanent Commission of EU Chambers.</td>
</tr>
<tr>
<td>Patron Dinner with Kálmán Kovács Minister of Informatics and Communications</td>
<td>March 29</td>
<td></td>
</tr>
</tbody>
</table>

Business Forum with Prime Minister Ferenc Gyurcsány on March 20, 2006

![Business Forum with Prime Minister Ferenc Gyurcsány on March 20, 2006](image)
Proclamation -
Initiation of a national consensus and social pact in Hungary after the elections

April 24
Press Conference
A coalition of 16 leading Hungarian business organizations, including AmCham, moved quickly after the elections to call for frank talks between themselves, the government and the opposition on how to implement reforms, revive competitiveness and set the country on a sustainable growth path.

May 3
Meeting with Árpád Kovács, Chairman of the State Audit Office

May 17
Press conference
Seven additional organisations joined the Proclamation

May 22
Press conference on Strategic discussion with Minister of Economy and Transport János Kóka and the leaders of the organizations that signed the proclamation

May 25
Representatives of the organisations that signed the Proclamation were invited to the meeting of the Economic and Social Council with the participation of Prime Minister Ferenc Gyurcsány

Lobbying in Brussels –
3rd Brussels Lobbying Study Trip

April 24-25
How decision-makers in Brussels view Hungary and the 2nd National Development Plan
Meetings with:
Graham Meadows, Director General of DG Regional Policies;
Elemér Terták, Director, DC Internal Market; László Kovács, Commissioner for Tax and Customs;
Edit Herczog, MEP; László Surján MEP; Tibor Kiss, Head of Mission, Hungarian Permanent Representation
<table>
<thead>
<tr>
<th>Event Description</th>
<th>Date</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influencing the finalization of the 2nd National Development Plan</td>
<td>February 16</td>
<td>Seminar on the priorities of the 2nd National Development Plan: Logistics, EU Grants. Speakers: Dr. Tamás Halm, Vice President, National Development Office, Dr. Attila Chikán, Prof., Budapest Corvinus University, MLBKT, Co-Chairman, Zsombor Essősy, Managing Director, Magyar Pályázatkészítő Iroda, László Németh, Director, Municipalities and EU projects, K&amp;H Bank. Initiated by the Euro-Atlantic Committee.</td>
</tr>
<tr>
<td>July 6</td>
<td>Economic Operative Program on Competitiveness Partnership Conference organized by the Ministry of Economics and Transportation. Presentation by AmCham (President Les Nemethy) on evaluation of VEGOP from the aspect of SMEs, based on the document/suggestions prepared by the Euro-Atlantic Committee.</td>
<td></td>
</tr>
<tr>
<td>Amendments to the Company Act</td>
<td>June</td>
<td>AmCham members commented on the guidelines for the creditors' defence upon the request of the Ministry of Justice.</td>
</tr>
<tr>
<td>Meeting with IHM on IT security and on cooperation at EU level</td>
<td>October 4</td>
<td>Invited speaker: Ferenc Suba LLM, MA, Special Envoy of the Minister, Vice-Chair of ENISA MB. Initiated by the Euro-Atlantic and IT Committees.</td>
</tr>
</tbody>
</table>
AmCham-ICEG
EC Conference:
Critical Decisions after Elections
June 16

Topics covered:
Convergence Program, Realistic Date of Entry into the Euro zone Possibilities for the Decrease of the Budget Deficit Competitive Tax Regime

Speakers included:
Álmos Kovács, Deputy Secretary of State, Ministry of Finance; István Hamecz, Managing Director, National Bank of Hungary László Csaba, professor, CEU

Amendments to the Company Act
August

Upon the request of the Ministry of Justice, AmCham commented on the draft legislation on the simplification and speeding up of company registration

European AmChams (ECACC) met in Washington D.C. in May 2006
6. SECRETARY TREASURER’S REPORT

Secretary Treasurer: Erzsébet Antal (Tesco-Globál Áruházak ZRT.)
Finance Manager: Erika Bosnyák

The Secretary Treasurer is pleased to inform the membership that even though we targeted HUF 0 financial result for 2005, we were able to achieve a net profit of over HUF 2.7 million. On the revenue side we achieved 102.74%, on the total cost side 101.36%. BDO Kontroll Auditing and Tax Consulting Ltd. reviewed the financial statements, the contracts and Board minutes and consulted with the accounting company (Memolux). Based on these, they issued an unqualified auditor’s report (please find it below). This confirms that the procedures at AmCham are done in a true and professional manner; the balance sheet and the financial report give a clear and honest picture about the company.

I would like to take this opportunity to thank Péter Fáth, CEO, and the staff for the good performance! I also would like to thank Memolux Kft. and BDO Kontroll Auditing and Tax Consulting Ltd. for their continuous professional work. During the last years they have helped the Chamber with their excellent support in the areas of auditing, accounting, and tax advisory services.
# TABLE 1

**BALANCE SHEET AS OF DECEMBER 31, 2005**

**HUNGARIAN ACCOUNTING STANDARDS, ALL FIGURES IN 000HUF**

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Fixed Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I Intangible assets</td>
<td>6 687</td>
<td>5 980</td>
</tr>
<tr>
<td>II Tangible assets</td>
<td>14 020</td>
<td>12 528</td>
</tr>
<tr>
<td>III Financial investments</td>
<td>6 468</td>
<td>20 150</td>
</tr>
<tr>
<td>B. Current Assets</td>
<td>75 778</td>
<td>65 453</td>
</tr>
<tr>
<td>I Inventory</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>II Receivables</td>
<td>17 623</td>
<td>5 418</td>
</tr>
<tr>
<td>III Securities</td>
<td>0</td>
<td>22 257</td>
</tr>
<tr>
<td>IV Cash and bank deposits</td>
<td>58 155</td>
<td>37 778</td>
</tr>
<tr>
<td>C. Prepayments</td>
<td>3 165</td>
<td>3 885</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>106 118</strong></td>
<td><strong>107 996</strong></td>
</tr>
</tbody>
</table>

### EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D. Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I Subscribed capital</td>
<td>2 426</td>
<td>2 426</td>
</tr>
<tr>
<td>II Capital change</td>
<td>11 616</td>
<td>15 877</td>
</tr>
<tr>
<td>III Tied up reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>IV Valuation reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>V Profit for the year from basic activity</td>
<td>10 005</td>
<td>6 016</td>
</tr>
<tr>
<td>VI Profit/(loss) for the year from entrepreneurial activity</td>
<td>- 5 744</td>
<td>- 3 254</td>
</tr>
<tr>
<td>E. Provision</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F. Liabilities</td>
<td>25 646</td>
<td>22 759</td>
</tr>
<tr>
<td>II Long-term liabilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>III Short-term liabilities</td>
<td>25 083</td>
<td>22 759</td>
</tr>
<tr>
<td>G. Accruals</td>
<td>62 732</td>
<td>64 172</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td><strong>106 118</strong></td>
<td><strong>107 996</strong></td>
</tr>
</tbody>
</table>
### TABLE 2

**Simplified Profit and Loss Account**

As of December 31, 2005

(All figures in 000 HUF)

<table>
<thead>
<tr>
<th>Basic Activity</th>
<th>2004</th>
<th>Entr. Activity</th>
<th>Total</th>
<th>Basic Activity</th>
<th>2005</th>
<th>Entr. Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Net sales</td>
<td>37105</td>
<td>39119</td>
<td>76224</td>
<td>28936</td>
<td>59611</td>
<td>30675</td>
<td>59611</td>
</tr>
<tr>
<td>2 Capitalized value of own performance</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3 Other income</td>
<td>2071</td>
<td>23</td>
<td>2094</td>
<td>520</td>
<td>0</td>
<td>520</td>
<td></td>
</tr>
<tr>
<td>of which</td>
<td>- Subsidies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>4 Income from financial activities</td>
<td>1681</td>
<td>360</td>
<td>2041</td>
<td>711</td>
<td>4857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Extraordinary income</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>of which</td>
<td>- Subsidies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>6 Membership fees</td>
<td>138189</td>
<td>0</td>
<td>138189</td>
<td>142374</td>
<td>0</td>
<td>142374</td>
<td></td>
</tr>
<tr>
<td>A Total income</td>
<td>179046</td>
<td>39502</td>
<td>218548</td>
<td>175976</td>
<td>31386</td>
<td>207362</td>
<td></td>
</tr>
<tr>
<td>7 Material type of expenditures</td>
<td>75456</td>
<td>25043</td>
<td>100499</td>
<td>67181</td>
<td>17982</td>
<td>85163</td>
<td></td>
</tr>
<tr>
<td>8 Personal type of expenditures</td>
<td>77896</td>
<td>16638</td>
<td>94534</td>
<td>88506</td>
<td>14042</td>
<td>102548</td>
<td></td>
</tr>
<tr>
<td>9 Depreciation</td>
<td>7342</td>
<td>1639</td>
<td>8981</td>
<td>7799</td>
<td>1396</td>
<td>9195</td>
<td></td>
</tr>
<tr>
<td>10 Other expenditures</td>
<td>5671</td>
<td>1336</td>
<td>7007</td>
<td>5815</td>
<td>1147</td>
<td>6962</td>
<td></td>
</tr>
<tr>
<td>11 Expense of financial activities</td>
<td>2676</td>
<td>590</td>
<td>3266</td>
<td>659</td>
<td>73</td>
<td>732</td>
<td></td>
</tr>
<tr>
<td>12 Extraordinary expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B Total expenditures</td>
<td>169041</td>
<td>45246</td>
<td>214287</td>
<td>169960</td>
<td>34640</td>
<td>204600</td>
<td></td>
</tr>
<tr>
<td>C Profit/(loss) before tax</td>
<td>10005</td>
<td>-5744</td>
<td>4261</td>
<td>6016</td>
<td>-3254</td>
<td>2762</td>
<td></td>
</tr>
<tr>
<td>I. Tax payable</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>D. Dividend</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>E. Profit/(loss) for the year</td>
<td>10005</td>
<td>-5744</td>
<td>4261</td>
<td>6016</td>
<td>-3254</td>
<td>2762</td>
<td></td>
</tr>
</tbody>
</table>
6.1. AMCHAM’S REVENUE STRUCTURE IN 2005 (ALL AMOUNTS IN HUF’000)

Membership fees (142,374) represent more than 60 percent of the Chamber’s income. The membership fees for 2006 are indicated among income as deferred income and accrued charges in compliance with the principle of accruals.

The income from membership fees are complemented with income collected from the services provided to the members, professional events and other services connected to the basic activity (28,936). Further sources of income are those activities that are concluded in the form of a business association, resulting in an income of (30,675) altogether.

Due to this, the Chamber separates its income derived from business activities from those derived from basic activity. In 2005, the proportion of its business activities was 15.19 percent of all activities. Among “other incomes” (520) the following amounts are shown: the amount that was received to maintain the Foundation (518), and other items (2).

The incomes from financial operations (4,857) are made up of the following items:

- Realised and accrued interests
  (government bonds, treasury-notes, fixed deposits ) 3,320
- Realised exchange rate gain 1,098
- Other items 439

There were no extraordinary items in 2005.

DIAGRAM 1 – REVENUES AS % OF TOTAL REVENUE IN 2005

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>63.23%</td>
</tr>
<tr>
<td>Yearbook</td>
<td>1.99%</td>
</tr>
<tr>
<td>Newsletters/magazine subscriptions, advertisements</td>
<td>3.47%</td>
</tr>
<tr>
<td>Other Publications</td>
<td>0.14%</td>
</tr>
<tr>
<td>Events</td>
<td>24.60%</td>
</tr>
<tr>
<td>Business services (VISA, EU Link)</td>
<td>4.87%</td>
</tr>
<tr>
<td>Other</td>
<td>1.49%</td>
</tr>
<tr>
<td>AmCham Foundation Operation</td>
<td>0.21%</td>
</tr>
</tbody>
</table>
6.2. AMCHAM'S COSTS STRUCTURE IN 2005
(ALL AMOUNTS IN HUF’000)

Costs that are not connected to basic nor business activity are divided according to the ratio of business and basic activity income already referred to the previous section on ‘Income’.

Among the material costs, the following are indicated: the cost of used and other services, the cost of mediated services. The personal-type payments include wages, social and other wage-related contributions. The value of event-related services provided but not invoiced to members (3,079) is also indicated here. Depreciation was divided according to the ratio of basic to business activity.

The most significant expenditure items in 2005 included: non-deductible VAT (6,611), book value of discarded intangible assets (20), loss in value accounted for receivables (144).

Shown among financial operations are: the exchange rate loss derived from the financially settled exchange rate loss of the assets and liabilities (257) and the interest from the purchase price of government bonds (421).

The Chamber had no extraordinary expenditures in 2005. The annual average statistical number of staff was 11 employees. The Chamber was not engaged in research and development activity in 2005. The Chamber did not have tangible assets directly serving environment protection purposes or dangerous waste in 2005.

Net Profit for 2005
out of which - basic activity
- business activity

<table>
<thead>
<tr>
<th></th>
<th>THUF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit</td>
<td>2,762</td>
</tr>
<tr>
<td>Basic activity</td>
<td>6,016</td>
</tr>
<tr>
<td>Business activity</td>
<td>-3,254</td>
</tr>
</tbody>
</table>
Financial indices

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Calculation</th>
<th>2004</th>
<th>2005</th>
<th>2005/2004 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term liquidity</td>
<td>Current assets / Short-term liabilities</td>
<td>75,778 / 25,083 = 302.11%</td>
<td>65,453 / 22,759 = 287.59%</td>
<td>95.19</td>
</tr>
<tr>
<td>Long-term liquidity</td>
<td>Result (basic+business) / Liabilities</td>
<td>4,261 / 25,083 = 16.99%</td>
<td>2,762 / 22,759 = 12.13%</td>
<td>71.39</td>
</tr>
</tbody>
</table>

Professor György Surányi, Head of Banca Intesa Group Central Eastern Europe, at the AmCham Business Forum on December 8, 2005
7. COMMITTEE REPORTS

7.1. CONTRACT MANUFACTURERS’ WORKING GROUP

Chairperson: Ferenc Báti (Hewlett-Packard Magyarország Kft.)
Coordinator: László Metzing

As part of its continuous effort to pursue its mission, the AmCham Board approved the establishment of a working group of contract manufacturers.

- These companies have a 5-8 year history of success in Hungary, their production is not only high value added but they have also substantially improved the manufacturing culture of the workforce.
- Their achievements are not always appropriately recognized by politicians who take their presence and results in Hungary for granted. After establishing their operations in Hungary, these companies have been able to progress without any special attention from the Government. But this cannot be expected forever; they deserve some institutionalized support otherwise they may soon start considering to move their operations abroad.
- ITDH as the Government agency responsible for these companies is by itself not able to provide sufficient attention and support, which is where AmCham’s “umbrella” role can be useful.
- The main positive message of this initiative should be to dispel the misconceptions about contract manufacturing as cheap, no-value-added work. This might have been true in the past, but not for the present situation.
- This is, however, a very competitive and cost sensitive sector; if they enjoy better business environment somewhere else, they easily consider moving their facilities.
- At the same time, they are ready to make serious contributions (“sacrifice”) to improve the working culture for their own interest. This is why we have to increase the awareness of their importance and successes, and change politicians’ and economic decision-makers’ general perception of this sector.

Members of the working group have areas of common interest (eg: tax/customs, education, training, labour issues) and the group concentrates on these topics.

The first topic the working group started to pursue is education of the labor force of contract/electronic manufacturers for the following reasons:

- These companies have very similar requirements and face the same problems (lack of practical knowledge of skilled workers);
- For certain competencies there is no training;
• All factories do their own training;
• Fluctuation in workforce.

The Group suggests introducing standardized training for these types of companies with new “OKJ” numbers. If this could be achieved by spring 2007 it would be a success.

The Working Group plans to organize a meeting for the HR/Training experts of companies to discuss the common topics of their special field and to let them come up with more specific action points.

Other topics to lobby for in the future:
• Product fee issues,
• Optimal allocation of educational contribution.

Gusztáv Bienerth at the AmCham-ICEG EC conference on June 16, 2006
7.2. Corporate Governance Committee

Chairperson: László Czirják (iEurope Capital, LLC)
Coordinator: Ildikó Takács-Berka

Mission: To improve education and increase the awareness of corporate governance within the business community through promotion and accessibility to best corporate governance practices in order to improve the competitiveness of businesses in Hungary and increase their economic value.

The Corporate Governance Committee started operating in late spring of 2003 with the following objectives:

• Effectively communicate to the business community best practices and the results and benefits of good corporate governance, including:
  - meeting regulatory requirements
  - protecting investors
  - becoming a more successful business and achieving higher economic values
  - making businesses more effective
  - being transparent and ethical
• Develop our own positions or set of standards on best practices and good corporate governance,
• Provide information on corporate governance (via website and other means),
• Be a channel to Director’s Institutes or other organizations in Hungary or abroad and evolve to become a Directors Institute,
• Improve internal evaluation processes,
• Suggest how to improve internal operations and financial disclosure systems.

AmCham and this Committee believe that applying good corporate governance benefits all stakeholders in a company or organization, not the least of which is its owners. One specific documented benefit is a relatively higher company value attributed to firms with good corporate governance versus those that do not hold such characteristics.

In April of 2005, the Committee completed the important task of publishing a Position Brief outlining the most important corporate governance issues facing Hungary together with recommendations on how to tackle them. This document represented a collective effort of the Committee members, utilizing inputs from several internationally recognized experts, who recently visited Hungary and spoke to the AmCham membership. Committee members include representatives of the Central European University Business School’s Center for the Social Foundations of
Business, the Hungarian Venture Capital Association and the Canadian Chamber of 
Commerce. Further credit and thanks go to two prominent international experts, 
Alan Patricof, Co-Founder, APAX Partners and Holly Gregory, Partner at Weil 
Gotshal & Manges, for their review of this document. This paper was distributed to 
AmCham members, the private sector at large and to governmental institutions and 
regulators.

The Committee has been a driving force in establishing collaborative governance, 
increasing awareness and responsibility between public institutions, business organi-
zations and the non-profit sector. In 2006 the Committee has completed or is cur-
rently working on a number of projects that build on the Position Brief and include:

- A review of the new draft of the Company Act was completed and our comments 
were submitted to the Hungarian government. A number of our recommenda-
tions were adopted. Further work on the Company Act refinement is ongoing.
- A review and commenting on the new draft of the Securities Act (Tőkepiaci 
Törvény) was completed and further review is ongoing.
- The involvement in AmCham’s revision of its own Code of Ethics and Business 
Conduct which we trust will act as a model for Hungary.
- The launch in the fall of a Corporate Governance Workshop to educate professors 
from several universities across Hungary who will then be able to offer their own 
courses in corporate governance. The Workshop will be based on the positions 
presented in AmCham’s Corporate Governance Position Brief.
- The organization of events on corporate governance including seminars where 
leaders of multinational companies, academics and other community leaders can 
talk about their experiences in this regard.

Specific events in 2005/2006 organized on the topic of corporate governance 
included:

May 9, 2006: Extraordinary Seminar & Cocktail: Corporate Social 
Responsibility and Social Accountability. Globe System 
Consulting and DNV Hungary co-organized and sponsored the 
event and also Braun & Partners gave a professional support.

March 22, 2006: Seminar on Companies’ Act – cooperation by Martonyi és Kajtár 
Baker and McKenzie Attorneys at Law, Réti, Antall & Madl 
Landwell and Szecskay - Attorneys at Law.

January 17, 2006: Business Breakfast on the Sarbanes - Oxley Act with Ernst & 
Young.

October 5, 2005: AmCham-CEU Academy on Corporate Social Responsibility with Dr. Peter Hardi, Ph.D, Senior Fellow at the International Institute for Sustainable Development, Canada.


7.3. ENVIRONMENTAL COMMITTEE

Chairperson: James Lenoci (Lenoci Environmental Consulting Ltd.)
Coordinator: Ildikó Takács-Berka

The committee holds meetings on a monthly basis, and active members include representatives from the industry, real estate, consulting, academic, NGO, and governmental sectors.

In May 2006, the committee organized an Energy Security and Climate Change seminar in collaboration with the US Embassy. Senior level policy experts from the US joined Hungarian energy specialists in an interesting discussion on how to best move forward in terms of securing energy supplies and maintaining economic competitiveness, while striving to reduce greenhouse emissions.

The committee is continuing the development of a Position Brief on recommendations for brownfield development in Hungary. Brownfield development is rehabilitation of environmentally damaged properties and returning them to productive use. With adequate incentives for investors, brownfield development can lead to significant job creation and economic growth for communities.

The committee has hosted a variety of guest speakers during committee meetings during the past year. Topics of discussion included environmental insurance market in Hungary, progress on transposing the EU environmental liability directive in Hungary, activities of the business and environmental program at the Regional Environmental Center for Central and Eastern Europe. In addition, the committee has become in contact with the environmental committee at the AmCham in Poland, and the two committees are investigating opportunities for pursuing joint, regional initiatives.
7.4. EURO-ATLANTIC COMMITTEE

Chairperson: Dr. Károly Fekete (CGB Consulting)
Coordinator: Judit Szilágyi

Building on activities of previous years, the Euro-Atlantic Committee this time focused its activities on more concrete EU-related issues and, first of all, on understanding and influencing the new 2nd National Development Plan (NDP2).

One of the main objectives of this year’s activities was to follow the preparatory work on the NDP. The AmCham Brussels lobby trip in late April 2006, in close cooperation with AmCham Slovakia also paid special attention to the national development plans of both countries. In addition, it offered opportunities for participants to learn more about decision-making and interest representation in the EU. It was also an excellent chance to build contacts with Hungarian and Slovak officials in Brussels. Members of the visiting team met Commissioner László Kovács and high-ranking experts working in the EU Commission on specific Hungary-related issues. They also met the head of the Hungarian Permanent Representation and Hungarian MEPs working in the Socialist and Conservative Parliamentary group of the European Parliament.

The committee remained active in presenting specific practical issues as well. A joint meeting of the Euro-Atlantic and IT committees in October was dedicated to a very interesting lecture by Dr. Ferenc Suba, a leading IT security specialist from the Ministry of Informatics and Communications. A number of external company representatives from Kúrt Computers, Virusbuster and Megatrends were also invited and participated. The lecture touched upon why IT security is so important today, how it is regulated in the EU and how industry is organising itself to counter the challenge. After detailing the phases of setting up a self-regulating voluntary professional body, seated in Crete, Greece, of the IT companies for which Mr. Suba is a top ranking representative, the last part of the lecture was dedicated to hints at how Hungarian IT security companies might enter the European stage with their produce. The speaker also gave some insights into how the Ministry is making efforts to help such companies go international.

An interesting debate unfolded thereafter as IT sector company representatives took a very active part, complaining mainly about the difficulty of obtaining references of sufficient magnitude in Hungary. This is because government offices do not satisfactorily support local IT security expertise and tend to stick to global names even if Hungarian firms are better or equally good at a lower price.
A meeting was held together with the Political and Legislative Committee in November. Committee Chair Károly Fekete distributed a list of Hungarian inter-ministerial EU-expert working groups. At an earlier meeting of the Euro-Atlantic Committee, the guest speaker Dr. Péter Gottfried, President of the Office for European Affairs, talked about the 49 working groups, whose chairs can be approached by non-governmental organizations.

In order to influence decision-making at the earliest possible stage, which is when draft EU legislation is sent to national governments, and in Hungary’s case, these 49 working groups work and prepare Hungary’s official position on the specific topics. AmCham will need to approach the chairs of some of these working groups and establish good working relations with them. It was decided that the PLC and the Euro-Atlantic Committee know about each other’s agenda, and that their efforts be harmonized. The most important working groups were selected and joint delegations of the two committees paid informative and successful visits to Ms. Ágnes Vargha at the Ministry of Finance and Ms. Judit Fazekas at the Ministry of Justice.

After a very successful and packed seminar on NDP2 in February, with the participation and lecture by Deputy Chairman Mr. Tamás Halm from the National Development Office and Professor Attila Chikán, Committee activities were centred on the NDP. Several meeting were held to prepare and finalise the Committee position that the AmCham Board accepted in June.

Some main points committee members suggested to be represented in talks with government officials:

• The huge amount of public funds involved call for an Act on the 2nd National Development Plan that covers the rules of allocation, of appeal, and all further technical details. This would provide stability, accountability and importance to the system of distributing EU funds.

• There are strict rules on calculating large enterprises in the system (250 employees and over). Current Hungarian regulation requires a consolidation of all subsidiaries in this respect.

• The draft currently says that ‘large enterprises’ are excluded from the non-refundable EU funds altogether. The NDP1 finally included a clause facilitating 30% funding opportunities for large enterprises in the GVOP programme. This option should remain open in the 2nd Plan as well.

• Current regulation requires applicants to provide 120% bank guarantee for the period of 7.5 years. We propose that 7.5 years be shortened or made more flexible with an eye to the period of successfully meeting the conditions by the applicant.

• Certain business investment decisions tied to NDP2 funds will need to be made by companies involved in late 2006. If some funding tender calls are published as early
as in October 2006, that may facilitate these firms to make calculations and plans with that in mind.

• Equipment purchased on operative programme funds need to be kept on stock for 5 years. In case of ICT technologies and many other areas this period is far too long. Information technology equipment is most often replaced after 3 years and need to sit in a warehouse for the remaining 2 years for an occasional inspection. This period should be shortened for certain equipment.

• Companies need to keep all staff when applying successfully for employment related programme funds. This means that they need to keep the statistically registered staff for several (usually 5) years after the project supported by EU funds is completed. But companies may need to layoff workers in their other activities, in other branches. Introducing a more flexible approach will help many firms hurt by this restriction.

Based on these main points an experts’ meeting was held in June. Representatives of leading EU funding consultancies took part in that. The meeting confirmed most proposals above and added new, broader innovation and development policy aspects to the AmCham points. Participants sent their written views after the meeting that has been consolidated into a final AmCham list of proposals. Work will continue to push these proposals forward on forthcoming meetings with the government officials.
7.5. HEALTHCARE COMMITTEE

Chairperson: Dr. László Polák (Johnson & Johnson Kft.)
Coordinator: Beatrix Kovács

Since October 2005 the following objectives were fulfilled by the Committee:

In 2005-2006 new member companies joined the **Healthy Workplace Program (HWP)**, and so far 73 companies joined the program.

On December 13, 2005, the Committee organized an awards ceremony during which the following companies were awarded in three categories.
- Corporation category: GE Hungary Rt. Consumer & Industrial Division
- Medium size company category: AES-Tisza Erőmű Kft.
- Small company category: Bergmann Accounting Office Kft.

In 2005, for the first time, companies that had already received an award were given the opportunity to apply for a Best Practice award. Rewarded companies were Kürt Computer Rt. for their mental-hygiene and human resource policy program and Alcoa-Kőfém Kft. for their company and environment relationship program.

In June 2006, the Committee announced the tender for the Healthy Workplace AmCham Award 2006. The deadline for submitting the applications was September 2006. The submitted applications, as in previous years, will be appraised by a third party committee consisting of occupational health experts.

The Committee continued its efforts in building effective contacts with the Ministry of Health and National Health Insurance Fund in order to assist its work. We took part, together with other organizations, in the preparation work for the decree on transparent adoption of new healthcare technologies (medical devices), which is expected to be issued in Q4 2006.

On September 26, 2006, the Committee also presented its Position Brief on Health Care entitled “Health as a Pillar of Hungarian National Competitiveness”, which provided ideas about possible directions for health sector reform.

AmCham’s Healthcare committee is continuously monitoring the expected changes in the healthcare system and is firmly determined to be involved in all legislative preparations that affect the healthcare’s restructuring process and indirectly the healthcare industry’s business environment.
Dr. Jenő Rácz, Minister of Health, George Herbert Walker, U.S. Ambassador to Hungary, and Dr. Gábor Galgóczy, Chair of the Healthy Workplace Program Advisory Board congratulating representatives of one of the winner companies, Kürt Computer Rt., at the AmCham Healthy Workplace Award Ceremony on December 13, 2005.

Dr. László Polák, Chair of the AmCham Healthcare Committee, Les Nemethy, President of AmCham, Dr. Ferenc Falus, member of the AmCham Healthcare Committee, and Péter Fáth, CEO of AmCham at the Press Conference on publishing the sixth AmCham Position Brief entitled Health as a Pillar of Hungarian National Competitiveness, on September 26, 2006.
7.6. INFORMATION TECHNOLOGY

Chairperson: Péter Paál (IBM Hungary)
Coordinator: Márton Magócsi

During 2006, IBM’s Country General Manager Péter Paál continued to steer the activities of the IT Committee.

In line with AmCham’s mission of being the leading representative for U.S. and international businesses in Hungary and to promote the global competitiveness of the country, the IT Committee focused on the following objectives in 2006:

• Retain and expand its core membership of active members.
• Continuously identify focus areas of interest in line with AmCham’s overall lobbying efforts and contribute to the activity of other AmCham initiatives.
• Represent and articulate the interest of AmCham members.
• Strive to position ICT in the new National Development Plan according to the interest of the membership.

Having held 7 meetings since the last Annual General Assembly, the Committee has investigated the possibilities of including innovation in its scope of activities, held meetings with representatives of the NKTH on the National Development Plan and contributed to AmCham’s lobbying efforts.

After the general elections in April, AmCham issued a "Proclamation" along with 15 other interest groups. The IT Committee identified this as a key area of focus, and followed up the proclamation with several ICT-specific recommendations to emphasize that the key points in the "Proclamation" issued after the elections cannot be effectively implemented without ICT development, and that further delay in ICT development could further reduce Hungary’s competitiveness.

These recommendations, ranging from public sector IT management to court practices in ICT cases, were developed based on the valuable input from the Committee’s membership of representatives from some of the leading IT companies in Hungary.

The IT Committee also followed up on the projects it worked on in 2005, most notably the collection of best practices, recommendations, and useful links about e-Government. This collection is available at http://www.amcham.hu/eGovernment/ and several elements of it had been taken up and used in AmCham’s various other lobbying efforts, including its renowned Position Briefs.
7.7. LABOR AND EDUCATION COMMITTEE

Chairperson: Stewart Oldroyd (T-Systems, freelance consultant)
Coordinator: László Metzing

Mission of the committee:
• To address many issues of strategic importance to AmCham and its members, and to Hungary’s national competitiveness, relating to labor policies and education matters.
• To maintain or improve Hungary’s flexible labor policies, including the specific interests of member groups such as regional service centers, contract manufacturers, etc. To continue the committee’s earlier work in the education area, addressing issues such as vocational training, lifelong learning, language training, the needs of employers, and the Bologna process.

In the fall season the committee continued the project of the Education Committee, the Career Planning Seminar Series. A six-part series, the seminars aimed to enhance the career planning and job search skills of college students and recent graduates. The seminars were hosted by the Budapest University of Technology and Economics and covered topics such as “career vision”, networking, communication skills, CV writing, the job interview, and internships.

George Herbert Walker, U.S. Ambassador to Hungary with Dr. Péter Paál, Vice President of AmCham on December 13, 2005
The practical and interactive seminar series was a great success, with 50 participating students receiving valuable insight from experienced professionals. The project fit naturally with AmCham’s mission of improving the business climate in Hungary and the country’s economic competitiveness.

Based on AmCham’s lobby agenda, the Board decided to add labor issues to the activities of the Committee, which is also reflected in the new name. Therefore the Committee was partially reorganized with new members and started working in late Spring of this year. At the meetings we set up working groups for Labor Policy, Education Reform and Vocational training and related issues and the groups plan to address the following major topics:

- Curriculum issues, Supply/demand issues, Dialogue with the Government’s Education Reform Committee.
- Practical programs: open days for students and educators at AmCham member companies, career planning seminars, CEO presentations at universities, financial issues of education, dialogue between employers and (labor and education) policymakers.
- Specific suggestions for further considerations:
  Make a short movie presenting what graduates, especially engineers, should expect at the workplace. Distribute the movie to as many universities as possible.
- Provide presentation training for educators.

George W. Bush, President of the United States of America visits Budapest on June 22, 2006 and meets with AmCham Board Members.
7.8. MEMBERSHIP COMMITTEE

Chairperson: David Young (Amrop Hever Group / Kohlmann & Young)
Coordinator: Csilla Pál

Mission statement: To increase the AmCham membership by targeting quality companies - with an emphasis on companies with a clear interest in the United States; to work for the retention of quality members; to assist the Board and AmCham committees in all areas related to membership with a view of extending the scope of our services and providing value for an increasing range of businesses.

The American Chamber of Commerce in Hungary has on the whole an active and enthusiastic membership. Events from the AmCham monthly lunches to the Valentine’s Day Ball, Thanksgiving Dinner and other social events are well attended and committees’s participation is generally strong and active.

Membership at the end of August was 579. Compared to the same point last year (566) it has grown.

DIAGRAM 3 – STRUCTURE OF AMCHAM MEMBERSHIP
AS OF AUGUST 31, 2006
TOTAL NUMBER OF MEMBERS: 579

In 2005/2006 70 new members joined the AmCham, in the following categories:
- Patron: 3
- Corporate: 15
- Business: 37
- Non-profit: 4
- Individual: 10
- Honorary: 1
During the year we have worked actively to recruit new members. To be more effective, the Committee launched the **Membership Drive** on December 1, 2005 encouraging members to bring new companies to the Chamber. At the same time the Chamber has also become stricter on its collection policy and maintaining the membership status for non-paying members.

In 2006, the committee also initiated the creation of a new **AmCham Information Package** for members and potential members. The package contains all the information regarding AmCham history, mission, activities, membership and benefits, committees etc.

Over the past year, the Committee has also organized several **Welcome Cocktails** for new members, which allowed them to introduce themselves and get acquainted with AmCham Board members and staff.
7.9. SMALL AND MEDIUM Sized enterprises

Chairperson: Arnold Mark (GE Money, Budapest Bank)
Coordinator: László Metzing

• During the 2005-2006 business year, the SME Committee continued to pursue its key objectives established in the previous years, namely:
  • To organize forums and information flows to assist, advise and provide know-how sharing between AmCham members and selected Hungarian SMEs.
  • To influence the development of Government policy relating to SMEs by regular contact and lobbying initiatives with the Ministries of Finance and Economy and Transport.

In keeping with its goals, the committee has teamed up with other AmCham committees and organized seminars and business forums on topics of interest to the Hungarian SME sector. These events have been co-sponsored by AmCham members companies and have included eminent experts from the private sector. The seminars are free of charge and are conducted in Hungarian in order to appeal to a larger number of SME participants.

The committee was determined to put together a position paper before the parliamentary elections in order to raise more ‘SME awareness’ with all parties and to much better focus on the SME sector, which was submitted to the Ministry of Economy and Transport, personally to Minister Kóka. The proclamation’s goal was to let the new government know that the Hungarian business sector, in particular SME’s, were expecting a deep reform program involving the creation of a responsible and sustainable economic policy, public sector reforms, the creation of service-oriented healthcare, and tax reform to increase competitiveness.

‘This summer, the incoming government is expected to finalize and approve Hungary’s second National Development Plan (NDP2),’ said Tamás Halm, vice president of the National Development Office, at an AmCham Seminar & Cocktail at the Corinthia Hotel Aquincum on February 16. The event was sponsored by the Hungarian Grant Agency (Magyar Pályázatkészítő Iroda - MAPI). To consider our opinion about the draft version of the NDP2 another meeting was organized at the end of June, called Expert’s meeting on National Development Plan II, the outputs of which can influence the finalizing process of the NDP2 driving for decentralisation, strengthened economic competitiveness and regional development.

An SME-forum is planned for the autumn with the aim of informing SMEs about changes to the 2007-2013 period.

The Committee Chairman would like to express his appreciation to all the Committee members for their support and active participation, and also encourage all AmCham members concerned or interested in the future of SMEs to participate in this joint work.
7.10. TAX AND CUSTOMS COMMITTEE

Co-Chairmen: Botond Rencz (Ernst & Young); Csaba Répássy, (Ernst & Young)
Coordinator: László Metzing

The mission of the committee is to identify and implement the changes needed in Hungarian customs and tax legislation to help the Hungarian government and the AmCham members, and to provide feedback on the technical problems of interpretation and implementation in order to improve practice.

The committee decided to pursue the following goals for the year:
• Influence the government to implement tax measures that make Hungary more competitive.
• Help AmCham members get direct connection to legislative and executive bodies.
• Respond to members’ common upcoming complaints and requests.

Action plan:
• Supply lobby ideas to AmCham EU on taxation and customs issues.
• Submit specific suggestions and problems to the Ministry of Finance on tax issues.
• Organize seminars to discuss changes in the tax laws and help members prepare for changes in the tax environment.

Lobbying:
In many ways, this year the hard labor of several years bore fruit in terms of favorable tax changes, until unfortunately some of the achievements – though far from all – were undone in the recent budgetary belt tightening.

For several years now, the committee has worked to bring about changes to tax legislation to ensure the improvement of Hungary’s (and therefore our members’) competitiveness. In 2002, AmCham presented a Position Brief on Hungary’s competitiveness in the field of taxation and the necessary tax law changes, which was followed with an update in 2004.

After the publication of the Position Briefs – which received a fair amount of media attention – the committee held many discussions with key decision-makers in government and political parties to explain AmCham’s position on these issues. As a result of this work, Botond Rencz was invited to participate in the work of the tax reform committee in the spring of 2005.

After the tax reform committee’s work ended, the AmCham tax and customs committee continued to campaign for the changes it suggested, appearing frequently
in the press and continuing the discussion with the key political decision makers and top civil servants.

In the fall of 2005, this led to the enactment of several of the changes suggested in the Position Brief. Among others:

- The local business tax was scheduled for abolition at the end of 2007.
- The employers’ social security contributions (payroll taxes) were also scheduled to be reduced.
- The VAT rate, once the highest in Europe, was reduced by 5 percentage points.

One of the suggestions in the 2004 tax policy brief was to ensure that Hungary remains a competitive regional center. To help achieve this, members of the committee made specific suggestions to the government, which were also accepted. In particular, legislation was passed over the year to introduce:

- a holding regime that exempts capital gains on the sale of subsidiaries from taxation.
- advance pricing agreements, which if obtained by taxpayers, ensure that in an audit, the tax authority cannot challenge the pricing on intercompany transactions.
- the possibility for Hungarian companies to keep their books in currencies other than forints.

However, the most important suggestion of our tax Position Brief went unheeded: no serious effort was made by the government to reduce the rapid growth in public spending. This failure to act, cost the country dear, as the budget deficit ballooned, threatening to possibly hit, by one measure, above 10% of the GDP in 2006.
To remind the government of the necessary changes, AmCham, together with other economic chambers, organized the preparation and publishing of a full-page advertisement ("Kiáltvány") listing specific proposals for action for the government that took power after the elections in April 2006. (The portion of the proposals concerning taxes was drafted by the committee.) The proposals list was published in the main national daily newspapers, and received additional coverage in the media. AmCham officials made themselves available to the media to explain the proposals in greater detail.

The worsening budget deficit soon caused the new government to act – however, the acts made public so far still do fairly little to address runaway public spending. Instead, the government decided to attempt to plug the deficit hole by introducing new taxes and undoing some of the tax reforms discussed above. The abolishment of the local business tax and the reduction of payroll taxes were reversed. The taxes on corporate profits were increased by the introduction of a new 4% surtax, and an alternative corporate minimum tax was put in place. The lower VAT rate was also increased. The reduced top VAT rate and the regional center incentives were kept, but the new taxes undermine some of the incentives and competitiveness.

For the foreseeable future, the committee will need to work with members and government officials to soften some the effects of these new tax rules and eliminate inconsistencies.

Seminars and conferences:

The committee continues its regular meetings; topics and invited speakers are always welcome.

In November 2005, Ernst & Young and AmCham held a well-attended update for members about tax law changes that came into effect in 2006, lead by the chair of the committee, Mr. Rencz.

In June, the committee was one of the organizers of the AmCham – ICEG EC Conference, where the new tax law package was discussed.

In July, Botond Rencz, the head of the committee, as well as AmCham members, met with Frank Mermoud, the Secretary of State’s Special Representative for Commercial Affairs to discuss Hungary’s commercial environment and competitiveness issues.

We would like to thank all committee members for their valuable contribution to our efforts and successes.
7.11. Transparency Committee

Chairperson: André T. Mécs (Mécs and Partners)
Coordinator: Judit Szilágyi

One of the issues identified by the Board of AmCham as crucial to the development of the Hungarian economy is transparency. In 2005, the Board of Governors of AmCham set up the Committee on Transparency with several goals in mind. The immediate task of the Committee was to prepare the AmCham position for the 2nd Political and Corporate Leaders’ Forum. A longer term goal is to identify, monitor, advise and lobby on those specific transparency issues which the Committee considers as an important aspect of the whole question of transparency.

The Committee is headed by André T. Mécs and is composed of 14 members with solid experience in such professions as public relations, lobbying, government relations and law. The Committee has held many meetings all of which have been lively and productive.

There is a direct relationship between transparency and competitiveness. All available statistics indicate that the more transparent societies are more competitive in business and commerce. If transparency issues are not properly dealt with, competitiveness will suffer.

The members have raised many issues relating to transparency but since we cannot deal with all issues, we have identified those aspects where we felt that we can have a positive impact in a relatively short time.

Transparency Committee Chair André T. Mécs presenting recommendations of the business community on how to improve transparency in Hungary at the Second Political and Corporate Leaders’ Forum, March 7, 2006
1. Access to information
This is a key element to a transparent society. Legislation should adopt the principle that access to information by the constituents is a right and all necessary measures to permit the exercise of that right should be guaranteed by law. Right to information should be the rule and not the exception. The right by any public officer or body to declare any information secret should be strictly legislated strictly interpreted and enforced by the courts. There are currently too many types of secrets and the right to declare information as being secret is too often invoked not because of public policy but because that information would cause embarrassment to certain persons. The concept of business secrets can be too easily invoked in order to prevent legitimate access to information.

The corollary to this is full disclosure. Legislation should set out those instances where public bodies must disclose information of a public nature. This includes topics such as procurements, nominations to certain positions, and key decisions of the government and public authorities.

2. Public sector
We are not dealing with the reform of the public sector dealt with in another committee, but rather with the openness of the decision making process. There are many administrative authorities whose functioning should be free from political interference but which cannot be free while the budgets they require to operate are subject to yearly allocations. Nominations to these boards are often not based on competence but rather on other not easily understandable criteria. The nomination process should be more open, and the decision on the successful candidate should not be based on political affiliation. There should be a concerted effort to reduce the number of administrative authorities where persons are named by the political parties. This will greatly reduce conflict of interest situations since the decision will be made not for the better interest of the party, which named that person, but for the better public good.

3. Public Procurement
The Committee considers that there is no reason whatsoever why the almost entire documentation relating to public procurement cannot be made available to the public. Currently, even the person legally contesting an award cannot have full access to the relevant documentation. There is no efficient way for anyone to question the decision on the public procurement method chosen by the body, which has requested tenders. The decision to disqualify a bidder should be subject to scrutiny. There is currently no way for either the bidders or the public to know whether the winning bidder did in fact meet all conditions of the bid. There is still too much possibility to invoke business secrets to avoid public review.
The information, which was to be made available on procurement not subject to
tenders by the Glass Pocket law, is not evenly available and there is no enforcement.
International experience shows that making all information on public procurement
available does not discourage companies from bidding. To the contrary, it will encour-
age entry into the process by those companies that now stay out of the bidding
process because they have no confidence in it. Major work needs to be done in this
regard.

4. Financing of political parties
Many members of the Committee see this as the root of all evil. For as long as the
rules relating to the financing of political parties are not clear and their implementa-
tion not transparent, the need for political parties to obtain other sources of financ-
ing will remain. There is a law but it is vague, insufficient and more honored in the
breach than in the observance. The law provides no sanction for breach. Political par-
ties should be forced to divulge the source of all their funding, including that obtained
through commercial enterprises owned and controlled by the party. The current sit-
uation results in non transparent political allegiances disguised as business endeavors
and these are not in the public benefit.

The Committee welcomes all members who are interested in this topic. As can be
seen, much remains to be done.

Dr. Zsigmond Bodnár, outgoing Secretary Treasurer of AmCham presenting his report to the membership at
the 16th Annual General Assembly on October 11, 2005
8. AMCHAM FOUNDATION (ACF)

Members of The Board of Trustees:  Dr. Péter Komáromi, Chairman
                             Zsuzsa Rajki and Maria Gordon, Members
Secretary:                  Erika Bosnyák
Founder:                    Ádám Terták

Goals:
• To help children in need of social, mental or physical support;
• To provide transparent and ethical charity services for donor corporations;
• To promote corporate social responsibility and the ethos of volunteerism in the Hungarian business culture.

The AmCham Foundation has completed its fourth full year of operation. The members of the Board of Trustees of the Foundation decided to hold two fundraising drives annually. One of them is the traditional Thanksgiving Charity Drive and the other is to be held in May – connected to the Children Day.

Thank you for supporting the 2006 “We’re on holiday, too” summer camp!
Thank you note from the Transplantation Foundation
8.1. Financial Statements of the AmCham Foundation (ACF)

We hope that our records over the past twelve months shows that we have been successful in our efforts, and most of all in making a difference to the lives of supported organizations.

**BALANCE SHEET AS OF DECEMBER 31, 2005**

*(IN HUF'000)*

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<td>TOTAL NET WORTH AND LIABILITIES</td>
<td>20 499</td>
<td>23 304</td>
</tr>
<tr>
<td>Nr.</td>
<td>Category</td>
<td>Previous Year</td>
<td>Current Year</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------------------------------------</td>
<td>---------------</td>
<td>--------------</td>
</tr>
<tr>
<td>1</td>
<td><strong>A. Total Income of Public Benefit Activity</strong></td>
<td>13 066</td>
<td>14 222</td>
</tr>
</tbody>
</table>
| 2   | 1. Donation received for  
  public benefit activities, operations |               | 192          |
|     | a. from founders                                                         | 0             | 0            |
|     | b. from government budget                                                | 0             | 0            |
|     | c. from local government                                                 | 0             | 0            |
|     | b. other (AmCham members)                                                | 192           | 0            |
| 3   | 2. Donations received through tenders                                    |               | 0            |
| 4   | 3. Income from public benefit activities                                 |               | 0            |
| 5   | 4. Income from membership fees                                           |               | 0            |
| 6   | 5. Other income                                                          | 12 874        | 14 222       |
| 11  | **B. Income from Financial Activities**                                  |               | 0            |
| 12  | **C. TOTAL INCOME**                                                      | 13 066        | 14 222       |
| 13  | **D. Expenditures of Public Benefit Activity**                           | 15 852        | 13 508       |
| 14  | 1. Material type costs                                                   | 169           | 2            |
| 15  | 2. Personnel costs                                                       | 23            | 226          |
| 16  | 3. Depreciation                                                          | 0             | 0            |
| 17  | 4. Other expenses, costs                                                 | 15 660        | 13 280       |
| 18  | 5. Expenditures of financial activities                                  | 2             | 0            |
| 19  | 6. Extraordinary expenditures                                            | 0             | 0            |
| 20  | **E. Expenditures of Financial Activity**                                |               | 0            |
| 21  | 1. Material type costs                                                   | 0             | 0            |
| 22  | 2. Personnel costs                                                       | 0             | 0            |
| 23  | 3. Depreciation                                                          | 0             | 0            |
| 24  | 4. Extraordinary expenditures                                            | 0             | 0            |
| 25  | **F. Expenditures of all Activities**                                    | 15 852        | 13 508       |
| 26  | **G. Result Before Taxation**                                            | 0             | 0            |
| 27  | **H. Taxation**                                                          | 0             | 0            |
| 28  | **I. Current Year Result (G-H)**                                         | 0             | 0            |
| 29  | **J. CURRENT YEAR**                                                      |               |              |
|     | PUBLIC BENEFIT RESULT (A-D)                                               | -2 786        | 714          |
The members of the Board of Trustees and secretary do not receive any compensation for their work. The Foundation was registered as a public benefit organization.

The Foundation maintains its accounting records according to the provisions of Act on Accounting on a double entry basis. Its Statement of Operations is based on a “total cost” method. The form of the Balance Sheet is a public benefit report.

The Foundation did not have fixed assets on December 31, 2005.

Among the inventory the followings are indicated: 195 books and a camera, in an overall value of HUF 200,000.

Cash and bank deposits: HUF 22.8 million, of which HUF 18.8 million formed the fixed deposit on December 31, 2005.

Other expenses, costs (HUF 13.3 million) show the transmitted cash and in-kind donations.

The Foundation is not involved in financial activities.

The cost of the “Award of Generosity” and the related taxes (HUF 226,000) are also accounted for under personal-type costs.

On October 20, 2005, the AmCham Foundation’s Board of Trustees founded the “Award of Generosity”. This prize will be given to a donator who meets the criteria set up for this prize. The prize does not necessarily go to the person who donated the biggest amount in a particular year, but to the one who proportionally helped AmCham Foundation and its supported institutions the most.

According to the decision made by the Board of Trustees, the budget for the “Award of Generosity” is maximum HUF 250,000, which should be deducted from the Foundation’s current account’s deposits’ interests. This amount must also cover the personal-type payments connected to the award.
8.2. HIGHLIGHTS OF 2005

Victims of the Sri Lanka Tsunami – May 2005
In January 2005, the AmCham Foundation launched the Tsunami Charity Drive with announcements placed on the internet and via e-mail circulated among AmCham members. Six AmCham companies offered donations in a total value of HUF 1 million forint. This amount, together with an additional HUF 4 million from the savings of the Foundation was channeled to the Tsunami Charity Drive to support through Habitat for Humanity a specific community in Sri Lanka. This donation of HUF 5 million fully sponsors the construction of 8 homes (resettlement, construction training, associated logistics). The value of this donation makes the AmCham Foundation the biggest Hungarian supporter of the Tsunami Rebuilders.

In acknowledgement of this support the AmCham Foundation received appreciation at an official event on May 9, 2005.

AmCham Foundation’s Thanksgiving Charity Drive 2005
25 organizations applied for the AmCham Foundation’s tender announced in May 2005 aiming “To create an environment of equal opportunities for children with disabilities in schools and children’s homes”.

The AmCham Foundation’s Board of Trustees, together with the American Chamber of Commerce’s Board of Governors, chose 3 institutions that met the following criteria:
• Innovating complex pedagogic therapy for multiply disabled children
• Educating poor, underprivileged children
• Involving multiply disabled, orphan, school-aged children with learning difficulties
• Giving a chance to children under 3 years

Thanksgiving Dinner
held on November 22, 2005
Between November 23 and 30, the American Chamber of Commerce Foundation delivered HUF 3.8 million cash and HUF 7.5 million in-kind donations to the following institutions:

1. **Alapítvány a Bajcsy Iskola Gyermekéért – Budapest (240 children)**
The school integrates physically disabled children since September 2005. With the help of the AmCham Foundation, and the HUF 1.23 million cash, and other in-kind donations, the school could repair the schoolyard, construct walkways between buildings and build ramps for the disabled children.

2. **Addetur („Adj hozzá!”) Alapítvány – Budapest (160 children)**
The objective of the school was to renovate and install necessary fittings in the disabled bathrooms of the Addetur Primary School. During the renovation, the bathrooms received a new veneer as well as special toilet facilities. Furthermore, the arrangement of the bathrooms will be different and special handrails and banisters were also introduced. In order to finance the renovations, HUF 1.5 million were donated.

3. **Derűs Gyermekkor Alapítvány – Pécs (20 children)**
The Foundation launched partially integrated groups for handicapped children in September 1999. The playground was far from meeting quality standards; the jungle gyms, the sand box and the terrace were outdated and dangerous. Furthermore, the facilities on the playground made it impossible for disabled children to play. HUF 1.05 million cash and other in-kind donations helped the foundation create equal opportunities for children with disabilities.

**Corporate Volunteering Program**
During autumn of 2005, the AmCham Foundation launched its third AmCham Volunteers’ Day. This program involved volunteers from companies to help in the painting and gardening work at the Mozgáskorlátozottak Állami Intézete (National Institution of the Disabled). Due to the development of business “image”, the cooperation of companies for public benefit becomes more apparent in Hungary. We consider this program very successful as we could raise the interest of 50 volunteers from 20 AmCham member companies, who offered their help. The AmCham Foundation would like to thank each and every volunteer for having sacrificed a holiday in order to help and participate in this exemplary teamwork.

The American Chamber of Commerce Foundation’s Board of Trustees accepted the Foundation’s Report on its Public Benefit Activities in 2005 on its meeting on May 21, 2006.
SWEET CHARITY MOMENTS
9. COMMUNICATIONS

9.1. Publications

AmCham is proud to publish several publications as a membership benefit to enhance the communication flow within the membership. We provide a monthly business publication, Business Hungary, and we maintain and update daily the AmCham website, www.amcham.hu. In 2005 December, AmCham published the first Investors’ Barometer, and our committees are preparing discussion papers, based on which AmCham publishes its Position Brief series.

One day after the parliamentary elections, on April 24, 2006, in cooperation with 15 other business organizations AmCham published the Proclamation called “Agreement for our future”.

Members are entitled to receive an individual password to the AmCham website, where the whole AmCham membership database is accessible in the members-only-section. The AmCham website is updated regularly and has become a primary source of information on AmCham events and activities.

Business Hungary, is our primary channel of printed information to our members and also to key partners in the public sector. PrintXBudavár Rt. (PXB) is the publisher of the magazine since September 2005, and its team lead by chief editor Ted Fisher has done an excellent job to further improve this top quality English language business magazine for our members.

A readership survey, conducted in the summer of 2006 and filled out by 66 members, show that our members regularly read this publication. 67% of those who filled out the questionnaire read every issue, while a further 30% read it semi-regularly. About two-third of readers find Business Hungary as useful as our other services, while 26% find it even more useful. The survey gave a very positive feedback to AmCham about the quality of the magazine: 62% of those who filled out the questionnaire are satisfied with Business Hungary, what is furthermore, one-third (33%) are “very satisfied”. During the past year, the “In focus section” of the magazine has covered in depth the most challenging areas that are key to the national development, such as the pension system, the healthcare system, the second National Development Plan, etc., and these articles were evaluated the most regularly read and most useful section of the magazine.
Last autumn, AmCham with the help and cooperation of the Gallup Organization conducted a survey to find out how investors see the Hungarian investment climate. About the results AmCham published the Investors’ Barometer 2005 in last December and held a press conference where the most important conclusions were made public. In the Barometer, AmCham members assessed the attractiveness of Hungary as a place for doing business and gave their opinion on the country’s economy and its potential for growth. The greatest improvements between 2000 and 2005 were seen in industrial infrastructure, labor market, and transport facilities (i.e. availability of international transport links, quality of airport facilities and roads). Within infrastructure, the competitiveness of the telecommunications sector was perceived as showing the most improvement. On the other hand, 40% of businesses experienced a less favorable trend in the stability of the business environment, in overall employment costs and in costs of living over the past 5 years.

A coalition of 16 business organizations, to which later another seven organizations joined, issued a Proclamation for an Agreement for our future on April 24, 2006 to call for tripartite negotiations on how to implement reforms, revive competitiveness and set the country on a sustainable growth path. See the text as follows.

PROCLAMATION
 AGREEMENT FOR OUR FUTURE

The Hungarian economic community calls on the parties of the Hungarian Parliament and the new Government of Hungary to engage in common and responsible action for the betterment of the country!

The election season has come to an end. For the benefit of the citizens of Hungary, substantial changes, new ideas, honest and observable agreements, and unity are needed among the political parties and the players of the economy, in order to improve the competitiveness of the country and to take full advantage of our EU membership.

We, the undersigned representatives of the business community, hereby express our commitment to cooperate above all in the following four key areas, which fundamentally influence competitiveness:

1. A responsible and sustainable economic policy
A rapid reduction of the state budget deficit and a coordinated fiscal, monetary and tax policy; the earliest possible introduction of the euro, sustainable economic and environmental development, strengthening the prevalence of social values; improvement in investor confidence; determined support for the development of SMEs; and development of domestic R&D and education (especially vocational training) in harmony with the needs of the economy.
2. Public sector reform
A smaller, more efficient state that provides high-quality services in a measurable way, supported by predictable revenues; more rational central public administration; strong deregulation and decentralization with a rational sharing of responsibilities with the civil sector; a new, substantially smaller and more effective municipality system; transparent and consistent legislation and enforcement.

3. Service-oriented healthcare
A balanced and sustainable health insurance system, for which the state is responsible but which relies on both state and private financing; a new social perception of health, providing a basis for improved competitiveness and social security reform; incentive and control systems in the health sector that ensure the transparent and efficient use of resources.

4. Tax reform to increase competitiveness
A transparent, simple, competitive tax regime in line with the possibilities of the state budget and the strategy of the country; a business environment free from the local business tax; a stepwise decrease in the burdens on employment; a clearly competitive corporate income tax – coupled with strict tax and contribution collection; in order to urgently cut the public sector deficit, a truly even distribution of the taxation burden, elimination of tax evasion, and the limitation of tax allowances. Without these changes, the convergence program cannot be successful. We will not be able to adapt economically or take full advantage of the possibilities of European development. We will therefore lag irreversibly behind.

It is time to act!

Economic actors, the parliamentary parties and the government must come to an agreement on the basics. A new social pact and a new economic policy is needed, which takes into account the common goals and possibilities of the country as well as the opinion of the business sector. In May, we expect the leaders of the parties of the new parliament and the new government to engage in tripartite negotiations, in order to immediately and jointly work out the principles of a program that will serve the interests of the nation, and to sign a strategic agreement for a successful future.

Only with a successful economy can the nation be successful! We are your partners in this.

April 24, 2006
9.2. AMCHAM’S PRESS RELEASES 2005-2006

- Press release on organizing the 2nd Political and Corporate Leaders’ Forum (March 7, 2006)
- Press release on issuing the “Proclamation – Agreement for our future” (April 24, 2006)
- AmCham Foundation’s press release on charity donations (May 21, 2006)
- Press release on AmCham’s position on the announced government measures (June 12, 2006)
- Press Release on issuing the sixth Position Brief, entitled Health as a Pillar of Hungarian National Competitiveness (September 26, 2006)
9.3. AMCHAM IN THE PRESS

Between October 2005 and August 2006, events, activities and views of AmCham received regular and wide-scale coverage in the Hungarian printed and electronic media. More than 190 articles were published in connection with AmCham in this time period, while several of our events, conferences and press conferences received TV coverage as well.

The Political and Corporate Leaders’ Forum organized on March 7, 2006, and the AmCham-ICEG Conference on economic-policy issues held on June 16, 2006, received by far the widest press coverage among our events.

We can also single out the scale of press coverage AmCham received at its press conference on December 7, 2005, when AmCham published the results of the Investors’ Barometer 2005. AmCham issued a press release on its position on the Government’s restraint package in early June 2006 which also gained general attention in the Hungarian media.

AmCham actively participated in the communication campaign of the “Proclamation – Agreement for our Future”, which was first published in form of paid advertisements in national dailies. The communication strategy was worked out in details before the parliamentary elections, and much effort was invested into drawing the attention not only of the main parliamentary parties, but also of the other groups of the society to the historic opportunity and necessity to create a social pact on the strategic reform plans.
Investors cite improving infrastructure, but worsening stability in AmCham survey

Hungary's infrastructure, labour market and transportation network have seen the biggest improvements over the last five years, but business stability and employment costs have worsened, according to a survey by the American Chamber of Commerce (AmCham) and Gallup.

The results of the survey of AmCham members, published in a report called "Investors Barometer 2005" on Wednesday, show that 70pc of companies have seen their profits grow in the last five years, 67pc have made new investments and 60pc have increased their workforce.

While most respondents reported an improvement in the productivity and language skills of Hungary's workforce, 42pc said they still have trouble finding workers with the necessary entrepreneurial, language and technical skills. Unskilled labour, however, is easy to find.

Respondents to the survey said white-collar workers in Hungary are more creative than elsewhere in Europe. They are also better educated and highly motivated, but less loyal. Hungary's blue-collar workers are more creative than elsewhere in Europe too, but are less motivated and less loyal.

More respondents said Hungary's education system has declined than said it has improved.

About 44pc of respondents said Hungary's regulatory environment had worsened, with the exception of environmental regulations, and 57pc said they Hungary's level of corruption has not improved.

When asked to compare Hungary with other countries in the region, respondents said the Czech Republic was most similar, but offers slightly better business conditions. Slovakia, on the other hand, is a clear leader in providing incentives, lower taxation and lower employment costs. Romania and Bulgaria are also ahead of Hungary in terms of taxes and employment costs, according to the survey.
Political and Corporate Leaders’ Forum

Four Parties Urge Smaller State
Hungary Around the Clock
Date: March 8, 2006

The four parliamentary party leaders appeared to recognise the dangers of over-spending as they spoke of the need for a smaller, more effective state and competitive economy, at a forum in Budapest on Tuesday. The four differed on assessing future taxation policy however, at the forum, which was jointly organised by AmCham, the German-Hungarian Chamber of Commerce and Industry and the Joint Venture Federation.

The Free Democrats and the Democratic Forum argued in favour of a flat-rate income tax, which Fidesz and the Socialists roundly rejected.

The four parties were represented by Socialist Party chairman István Hiller, Free Democrat leader Gábor Kuncze, Fidesz financial expert Mihály Varga, standing in for chairman Viktor Orbán, and Democratic Forum chairwoman Ibolya Dávid.

Proclamation - Agreement for our future!

Signed, sealed, delivered - AmCham’s Péter Fáth on the local economic community’s challenging proclamation to the Hungarian government to implement an aggressive series of economic reforms
Budapest Business Journal
May 2, 2006

“The Hungarian economic community calls on the parties of the Hungarian Parliament and the new Government of Hungary to engage in common and responsible action for the betterment of the country!” So says a proclamation signed by influential players in the Hungarian economy, which was published last Monday, just a day after the second round of the general elections. “We wanted to let the new government know that the Hungarian business community is unanimously backing and desiring a complex reform program involving the creation of a responsible and sustainable economic policy, public sector reforms, the creation of service-oriented healthcare, and tax reform to increase competitiveness,” said Péter Fáth, CEO of the American Chamber of Commerce in Hungary (AmCham), which is one of 16 business organizations that signed the proclamation. (…)
Q: What was the real purpose of the proclamation that was published on April 24, just a day after the general elections?

A: We would like to call on the new government to start implementing a series of much-needed reforms without delay, including complex tax reform, public sector reform and the creation of a responsible and sustainable economic policy.

During the election campaigns, each party emphasized wanting to improve the competitiveness of the Hungarian economy, with a special focus on launching a successful economic convergence program in order to meet the Maastricht criteria for introducing the euro by 2010. We kept quiet before the elections, not commenting publicly on any of the parties’ election programs. But now that the election is over, we would like to hold the parties to their words.

There is no time to waste, no room for a 100-day grace period [which was the case after the previous elections under then Prime Minister Péter Medgyessy], or any grace period. By Sept. 1, the government will have to present a new convergence program to the European Commission, and this program will determine for a long time the direction in which the Hungarian economy will develop. Prime Minister [Ferenc] Gyurcsány understands this. He said in a recent television interview that he asks for no grace period.

By publishing our proclamation on the first day following the elections, the signatories wanted to clearly articulate that the players of the Hungarian economy are unanimously backing and desiring the reforms, and that they are ready to offer every assistance for working out the reform programs, and to plan for their implementation.
In a farewell speech to the American Chamber of Commerce in Hungary (AmCham) at the Hotel Kempinski last week, US Ambassador to Hungary, George Herbert Walker took the opportunity to give an assessment of Hungary’s economy, citing a need for improved competitiveness, reduced corruption, an end to political partisanship and a greater focus on the future rather than the past.

“Hungary must become more competitive or foreign direct investment will move out, living standards will fall and Hungary will only be able to celebrate its past, not its present or its future,” he warned, adding that despite the country’s current economic troubles he nevertheless saw several reason for optimism. “First, the Gyrursány government is taking very seriously Hungary’s monstrous deficit and the appalling size of the government and trying to do something about it. Some may not agree with the measures proposed, but at least the problem is being addressed - and it must be addressed.”

Walker also stressed that major US companies were still committed to Hungary. “Today the largest US companies, GE and Alcoa, have plans to expand here not con-
tract. There are many other Fortune 500 companies in Hungary planning to increase their investment here.”

Call for forward thinking

Several uncharacteristically pointed thoughts on the Hungarian national character in relation to its economic performance were also put forward by the Ambassador. “One cannot be pessimistic about the near term future of this republic, but Hungary cannot rest on its laurels, celebrating and focusing primarily on it magnificent history. The future can bring a level of prosperity and well-being to this land beyond the dreams of its great heroes of the past, providing it recognises its competitive challenges and take the right steps to meet them,” he said.

Hungary’s strongly bi-polar political landscape and characteristic lack of bi-partisan co-operation was also singled out for criticism. “Too many are asking themselves and others not what is best for Hungary, but what is best for his or her political party,” he said. “If the political and government leaders were to put partisanship aside, agree to compromise when necessary for the good of Hungary, the competitive outlook for this country would be greatly strengthened,” he said.

Walker expressed his hope that the Hungarian people would in future vote down leaders unwilling to engage the opposition, and instead vote for “enlightened” politicians who believe in bi-partisanship.

Walker also had a plain warning on the lack of transparency and endemic corruption, long a thorn in the side for foreign corporations working in Hungary. “US companies are increasingly concerned about the lack of transparency and poor bidding procedures in major government procurements,” he said, warning that a lack of progress could dissuade future FDI.

On President George W. Bush’s recent visit to Hungary, the Ambassador said: “As President Bush left Hungary six days ago, there was absolutely no any question in my mind that he had left with renewed and strengthened respect for this great republic which has such untapped potential.”

AmCham president Les Nemethy paid tribute to Walker’s work alongside the organisation during his three years in Budapest. “I think that the level of co-operation and support and the way that AmCham and the Embassy under Ambassador Walker have worked together has been wonderful. I would really like to thank Ambassador Walker and his wife for the support that they have given AmCham,” he said.

Nemethy, echoing an opinion shared among much of Budapest’s international business community, said Walker’s friendly, warm approach to the job had made him a respected and popular figure. “Ambassador Walker is the perfect exemplification of someone who is not a career diplomat having more diplomacy in his little finger than many diplomats have in an entire career;” he said. “That special warmth has made Ambassador Walker so many friends here.”

One of the main activities of AmCham is to promote business and social networking between its members and the business community in Hungary. During 2005-2006 AmCham succeeded in achieving high attendance levels at its events and in increasing the number of programs and special functions.

Between October 2005 and September 2006, AmCham organized 134 events with over 5500 participants.

Apart from our regular monthly Business Forums and Seminar & Cocktails, AmCham also organized several extraordinary professional and social events, and introduced some new ones.

We were honored that Ferenc Gyurcsány, Prime Minister of Hungary accepted our invitation to speak during an AmCham event.

At our Business Forums AmCham members were addressed by ministers and experts of the economy: Dr. János Kóka, Minister of Economy and Transport; Dr. György Surányi, Head of Central and Eastern Europe, Banca Intesa Group; Professor of Finance; Former President, National Bank of Hungary; Sándor Demján, Executive President, National Association of Entrepreneurs and Employers; Krisztián Orbán, Managing Partner, CEMI.

This year AmCham did not only focus on business people, but also turned towards other fields, inviting speakers such as: U.S. Congressman Tom Lantos, Hollywood producer Andrew G. Vajna, and Professor Charles Gati.

Among our regular events the 2nd Political and Corporate Leaders’ Forum was organized together with the German-Hungarian Chamber of Industry and Commerce (DUIHK), and the Joint Venture Association (JVSZ) with the participation of Ibolya Dávid, president of MDF; István Hiller, president of MSZP; Mihály Varga, vice president of Fidesz-MPSZ; and Gábor Kuncze, president of SZDSZ. Leaders of the four parliamentary political parties presented their economic policy proposals.

This year AmCham and the ICEG European Center were cooperating on two events. The AmCham-ICEG EC Conference: Critical Decisions After Elections was a successful event with 3 panels: “Convergence Program, Realistic Date of Entry into the Euro zone”; “Possibilities for the Decrease of the Budget Deficit”; and “Competitive Tax Regime”.

67
The two organizations launched a new series called: AmCham-ICEG EC Morning Presentation Series.

When speaking of cooperation we can not miss to mention the Embassy of the United States to Hungary with the leadership of Ambassador George Herbert Walker and its Commercial Section headed by Ms. Patricia Gonzalez who help us a lot in strengthening the U.S.-Hungarian relations. Our membership bid farewell to U.S. Ambassador George Herbert Walker and welcomed the new Ambassador to Hungary, April H. Foley at Business Forums. We would like to express our thank to Ambassador Walker for helping and improving the American-Hungarian relations and we are looking forward to working with the new Ambassador. It was our great pleasure to give a lifetime honorary membership to Ambassador Walker.

We have organized events with member companies’ global leaders including Jeffrey R. Immelt, Chairman of the Board and CEO of GE, Mel Stark, Vice President of Hay Group, and John T. Chambers, President and CEO of Cisco Systems Inc.; offering the opportunity to our membership to directly meet the ones reflecting the global corporate world.
AmCham was also proud to continue the successful event series with Deloitte entitled AmCham-Deloitte Tax Mornings and Risk Mornings. During these seminars various aspects of tax and risk management issues are discussed and presented by Deloitte experts.

Success of the initial AmCham-CEU Academy courses inspired us to launch the course on Corporate Social Responsibility with Peter Hardi, PhD, Senior Fellow at the International Institute for Sustainable Development, Canada; Head of Center for Social Foundation of Business, CEU Business School.

In a series of leisure and family programs, AmCham held its annual Thanksgiving Dinner in November and the AmCham - Aktív Faktorház Valentine's Day Ball 2006 in February, both of which attracted more than 250 participants. In June, AmCham organized its annual AmCham-Weber Shandwick International Tennis Open and on July 2nd, AmCham invited members and their families to the Independence Day Celebration at the Corinthia Aquincum Hotel Budapest. As a fundraising event we organized AmCham Foundation Charity Golf Tournament and Family Day at Tata Old Lake Golf Club.

Following the past years' success in providing insight into the world of decision-making in Brussels, AmCham organized a Lobbying Study Trip to Brussels. During this year we also organized the AmCham Central and Eastern Europe Doorknock Trip to Washington D.C. and AmCham Dream Tour to Vietnam and Cambodia.

AmCham would like to thank all its members for their active participation during our events as well as all the sponsors for their support. We would like to ensure you that we will continue to strive to organize the most interesting and exciting events for our members.
10.1. CALENDAR OF EVENTS

Total number of events: 134
Participants: 5585

September 2005

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
<th>Location</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 Monday</td>
<td>Public Sector Reform Task Force Meeting, 9:00 am</td>
<td></td>
<td>AmCham Conference Room</td>
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<tr>
<td>21 Wednesday</td>
<td>Political &amp; Legislative Committee Meeting, 8:00 am</td>
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<td>AmCham Conference Room</td>
<td>14</td>
</tr>
<tr>
<td>22 Thursday</td>
<td>AmCham-Deloitte Tax Mornings, 8:00 am</td>
<td></td>
<td>Budapest Marriott Hotel</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Location: Budapest Marriott Hotel</td>
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<tr>
<td></td>
<td>Topic: Comprehensive Hungarian and cross border tax planning</td>
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<tr>
<td></td>
<td>Speakers: Dr. Oskó Péter, Deloitte Rt., Dr. Kövesdy Attila, Deloitte Rt.</td>
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<tr>
<td></td>
<td>Sponsored by: Deloitte</td>
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<tr>
<td>28 Wednesday</td>
<td>Seminar &amp; Cocktail on Corporate Social Responsibility - A Corporate State of Mind, 4:00 pm</td>
<td>168</td>
<td>Kempinski Hotel Corvinus Budapest</td>
<td></td>
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<tr>
<td></td>
<td>Location: Kempinski Hotel Corvinus Budapest</td>
<td></td>
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<tr>
<td></td>
<td>Speakers: Brendan May, Head of Corporate Social Responsibility, Weber Shandwick U.K.;</td>
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<tr>
<td></td>
<td>Imfred de Jong, Managing Director, Nokia Hungary Kft.; Nancy Goodman Brinker, Founder,</td>
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<tr>
<td></td>
<td>The Susan G. Komen Breast Cancer Foundation and former U.S. Ambassador to Hungary</td>
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<td></td>
<td>Sponsored by: Weber Shandwick</td>
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<tr>
<td>29 Thursday</td>
<td>Business Forum with Dr. Gábor Galla, General Manager, Hungarian National Tourist Office / Magyar Turizmus Rt., 11:45 am</td>
<td>43</td>
<td>Kempinski Hotel Corvinus Budapest</td>
<td></td>
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<tr>
<td></td>
<td>Location: Kempinski Hotel Corvinus Budapest</td>
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<tr>
<td></td>
<td>Topic: Current Issues and Trends in the Hungarian Tourism Industry: Opportunities and Challenge for Investors</td>
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October

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<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
<th>Location</th>
<th>Participants</th>
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<tbody>
<tr>
<td>4 Tuesday</td>
<td>Euro-Atlantic Committee Meeting, 5:00 pm</td>
<td></td>
<td>AmCham Conference Room</td>
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<tr>
<td></td>
<td>Location: AmCham Conference Room</td>
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<td></td>
<td>Topic: International cooperation in information security - the Hungarian perspective</td>
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<tr>
<td></td>
<td>Speaker: Ferenc Suba, responsible for international information security, Ministry of Informatics</td>
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</tbody>
</table>
4 Tuesday  
**AmCham EU Check-Up**, 3:00 pm  
*Location: AmCham Conference Room*

5 Wednesday  
**AmCham-CEU Academy on Corporate Social Responsibility**, 4:00 pm  
*Location: CEU Graduate School of Business*  
*Speaker: Dr. Peter Hardi, Ph.D, Senior Fellow at the International Institute for Sustainable Development, Canada.*

6 Thursday  
**Environmental Committee Meeting**, 8:30 am  
*Location: AmCham Conference Room*

11 Tuesday  
**Annual General Assembly 2005**, 2:00 pm  
*Location: Hotel InterContinental Budapest*  
*Sponsored by: Accenture*

11 Tuesday  
**Board meeting**, 7:00 pm  
*Location: Hotel InterContinental Budapest*

12 Wednesday  
**Corporate Governance Committee Meeting**, 7:30 am  
*Location: AmCham Conference Room*

13 Thursday  
**Business Forum with William H. Danforth, M.D.,**  
*Chairman of the Board - Donald Danforth Plant Science Center; Chancellor Emeritus of Washington University*, 12:00 pm  
*Location: Sofitel Atrium Budapest*  
*Topic: The Potential for Economic Development through Sciences Education*

15 Saturday  
**AmCham Foundation Volunteer Day**, 10:00 am  
*Location: Addetur Foundation Daycare Center*

18 Tuesday  
**Business Forum with Mel Stark,**  
*Vice President of Hay Group*, 12:00 pm  
*Location: Budapest Marriott Hotel*  
*Topic: Setting the Benchmark - How the World's Most Admired Companies Drive Innovation*  
*Sponsored by: Hay Group*

20 Thursday  
**Transparency Committee Meeting**, 6:00 pm  
*Location: AmCham Conference Room*

20 Thursday  
**IT Committee Meeting**, 4:00 pm  
*Location: AmCham Conference Room*

21 Friday  
**Executive Committee Meeting**, 7:30 am  
*Location: AmCham Conference Room*
Global Leaders on the AmCham Podium
with Jeffrey R. Immelt, Chairman of the Board and CEO of General Electric, 08:30 am
Location: Budapest Marriott Hotel
Topic: Global Growth Opportunities

Environmental Committee Meeting, 1:00 pm
Location: AmCham Conference Room

Seminar & Cocktail on Rapid Scorecard - Executable Strategy in 5 Days, 4:00 pm
Location: Corinthia Aquincum Hotel
Speakers: Terrence Hibbert, Partner of Performance Measurement and Management; and Elemér Veréb, Managing Partner of PROVICE Business and IT Consulting
Sponsored by: Provice

Board Meeting, 7:30 am
Location: AmCham Conference Room
8 Tuesday  
**PLC & Euro-Atlantic Joint Committee Meeting**, 5:30 pm  
*Location: AmCham Conference Room*

9 Wednesday  
**Membership Committee Meeting**, 8:30 am  
*Location: AmCham Conference Room*

9 Wednesday  
**Seminar & Cocktail on Changes in the Tax Law in 2006**, 4:00 pm  
*Location: Corinthia Aquincum Hotel*  
*Speakers: Botond Rencz, Partner, Ernst & Young; Anna Szymanska, Senior Manager/Human Capital, Ernst & Young; Róbert Heinczinger – Partner, Ernst & Young*  
*Sponsored by: Ernst & Young*

9 Wednesday  
**Corporate Governance Committee Meeting**, 7:30 am  
*Location: AmCham Conference Room*

13 Sunday  
**AmCham Central and Eastern Europe Doorknock Trip to Washington D.C.**  
*Location: Washington D.C.*

15 Tuesday  
**AmCham-Deloitte Risk Series**, 8:00 am  
*Location: Budapest Marriott Hotel*  
*Topic: Outsourcing: Risks and Opportunities*  
*Speakers: Ralph van Uden, Senior Manager, Deloitte Advisory and Management Consulting Ltd.; Ash Huq, Senior Manager, Deloitte Advisory and Management Consulting Ltd.*  
*Sponsored by: Deloitte*

16 Wednesday  
**Seminar on Recent Amendments to the Competition Act**, 2:00 pm  
*Location: Ybl Palota, Conference Room*  
*Speakers: Dr. Zoltán Barakonyi, Partner, Baker McKenzie; Dr. Ádám Mátyus, Partner, Freshfields Bruckhaus Deringer*  
*Sponsored by: Baker & McKenzie and Freshfields Bruckhaus Deringer*

22 Tuesday  
**AmCham Thanksgiving Dinner**, 7:00 pm  
*Location: Budapest Marriott Hotel*

23 Wednesday  
**AmCham Foundation** – Donation handover, 1:00 pm  
*Location: Addetour Foundation*

23 Wednesday  
**Executive Committee Meeting**, 4:30 pm  
*Location: AmCham Conference Room*

23 Wednesday  
**Transparency Committee Meeting**, 5:30 pm  
*Location: AmCham Conference Room*
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<tr>
<th>Date</th>
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<tbody>
<tr>
<td>24 Thursday</td>
<td><strong>Business Forum with Dr. János Kóka, Minister of Economy and Transport</strong>, 12:00 pm</td>
<td>Kempinski Hotel Corvinus Budapest,</td>
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<td></td>
<td><strong>Topic:</strong> Four Challenges - Four Answers: Convergence, Tax Reduction, Highway Construction and Reform of Social Spending</td>
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<tr>
<td>25 Friday</td>
<td><strong>AmCham Foundation - Donation handover</strong></td>
<td>Bajcsy School Foundation</td>
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<td>29 Tuesday</td>
<td><strong>Board Meeting</strong>, 7:30 am</td>
<td>AmCham Conference Room</td>
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<tr>
<td>29 Tuesday</td>
<td><strong>IT Committee Meeting</strong>, 4:00 pm</td>
<td>AmCham Conference Room</td>
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<tr>
<td>30 Wednesday</td>
<td><strong>AmCham Foundation - Donation handover</strong></td>
<td>Pécs</td>
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<tr>
<td>December</td>
<td><strong>Business Forum with Dr. György Surányi,</strong> Head of Central and Eastern Europe, Banca Intesa Group; Professor of Finance; Former President, National Bank of Hungary, 12:00 pm</td>
<td>Kempinski Hotel Corvinus Budapest,</td>
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<td><strong>Topic:</strong> Evaluation of the Current Macroeconomic Situation and Possible Scenarios for the Introduction of the Euro</td>
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<td>13 Tuesday</td>
<td><strong>Healthy Workplace Award Ceremony 2005</strong>, 2:00 pm</td>
<td>Hilton Budapest West End</td>
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<td><strong>Sponsored by:</strong> Medicover</td>
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<tr>
<td>14 Wednesday</td>
<td><strong>Seminar &amp; Cocktail on the Investors' Barometer 2005 - Findings of the Survey - Lessons Learned for Businesses</strong>, 4:00 pm</td>
<td>Kempinski Hotel Corvinus Budapest,</td>
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<td><strong>Sponsored by:</strong> Clifford Chance</td>
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<td>27 Tuesday</td>
<td><strong>AmCham Dream Tour to Vietnam and Cambodia</strong></td>
<td>Vietnam and Cambodia</td>
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<tr>
<td>January</td>
<td><strong>Corporate Governance Committee Meeting</strong>, 7:30 am</td>
<td>AmCham Conference Room</td>
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<td>11 Wednesday</td>
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</table>
17 Tuesday  **Business Breakfast on Sarbanes - Oxley Act; Year 1 in Review, Top-Down Approach in Year 2**, 8:00 am
*Location:* Budapest Marriott Hotel
*Speakers:* Experts on the topic from Ernst & Young and Companies affected by SOX 404
*Sponsored by:* Ernst & Young

17 Tuesday  **IT Committee Meeting**, 4:00 pm
*Location:* AmCham Conference Room

18 Wednesday  **Environment Committee Meeting**, 8:30 am
*Location:* AmCham Conference Room

18 Wednesday  **Seminar & Cocktail on Increasing Power Density in Datacenters**, 4:00 pm
*Location:* APC Office
*Speakers:* Viktor Bíró, Country Manager, APC Eastern Central Europe; Tibor Hadobás, District Manager, APC Hungary
*Sponsored by:* APC Hungary

19 Thursday  **AmCham Foundation - Meeting for the Board of Trustees**
*Location:* Dow Hungary’s Office

19 Thursday  **AmCham-CEU Leadership Workshop Series**, 4:00 pm
*Location:* CEU Business School.

23 Monday  **Business Forum with Tom Lantos, US Congressman**, 12:00 pm
*Location:* Kempinski Hotel Corvinus Budapest
*Topic:* US & Europe - A new alliance
<table>
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<tr>
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<th>Notes</th>
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<tr>
<td>23 Monday</td>
<td><strong>Membership Committee Meeting</strong>, 8:30 am</td>
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<td>AmCham Conference Room</td>
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<tr>
<td>26 Thursday</td>
<td><strong>AmCham Foundation - Meeting for the Board of Trustees</strong></td>
<td></td>
<td>Sándor Szegedi Szent-Ivány &amp; Komáromi Attorneys at Law</td>
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<td>31 Tuesday</td>
<td><strong>Board Meeting</strong>, 7:30 am</td>
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<td>AmCham Conference Room</td>
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<td></td>
<td><strong>February</strong></td>
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<tr>
<td>5 Sunday</td>
<td><strong>AmCham – T.G.I Friday’s Super Bowl XL Party</strong>, 10:00 pm</td>
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<td>T.G.I Friday’s Oktogon</td>
<td>Sponsored by: T.G.I. Friday’s</td>
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<tr>
<td>8 Wednesday</td>
<td><strong>Corporate Governance Committee Meeting</strong>, 7:30 am</td>
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<td>AmCham Conference Room</td>
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<tr>
<td>9 Thursday</td>
<td><strong>Logistics Committee Meeting</strong>, 1:00 pm</td>
<td></td>
<td>AmCham Conference Room</td>
<td>Topic: Founding meeting of the committee; meeting with Attila Chikán, Chairman of the Hungarian Logistics Association</td>
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<tr>
<td>11 Saturday</td>
<td><strong>AmCham - Aktív Faktorház Valentine’s Day Ball 2006</strong>, 7:00 pm</td>
<td></td>
<td>Budapest Marriott Hotel</td>
<td>Main sponsor: Aktív Faktorház</td>
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AmCham - Aktív Faktorház Valentine’s Day Ball 2006 on February 11, 2006 at the Budapest Marriott Hotel.
14 Tuesday  **Membership Committee Meeting**, 8:30 am  5
*Location: AmCham Conference Room*

15 Wednesday  **Environment Committee Meeting**, 8:30 am  6
*Location: AmCham Conference Room*

15 Wednesday  **IT Committee Meeting**, 4:00 pm  8
*Location: AmCham Conference Room*

16 Thursday  **Seminar & Cocktail on Priorities of the National Development Plan II.**, 4pm  76
*Location: Corinthia Hotel Aquincum*

Speakers: Dr. Halm Tamás, elnökhelyettes, NFH; Chikán Attila, egyetemi tanár, Budapesti Corvinus Egyetem, a MLBKT társelnöke; Essősy Zsombor, ügyvezető igazgató, Magyar Pályázatkészítő Iroda; Németh László igazgató, Önkormányzatok és EU projektek igazgatósága
*Sponsored by: Magyar Pályázatkészítő Iroda*

17 Friday  **Public Sector Reform Task Force Meeting**, 2:00 pm  7
*Location: AmCham Conference Room*

28 Tuesday  **Board Meeting**, 7:30 am  11
*Location: AmCham Conference Room*

28 Tuesday  **New Members' Welcome Cocktail**, 11:30 am  20

28 Tuesday  **Business Forum with Sándor Demján, Executive President, National Association of Entrepreneurs and Employers**, 12:30 pm  105
*Location: Kempinski Hotel Corvinus Budapest*
*Topic: What does the Hungarian Economy Need?*

28 Tuesday  **Founding Meeting of the Illicit Trade Committee**, 3:00 pm  9
*Location: AmCham Conference Room*

**March**

1 Wednesday  **Seminar & Cocktail on TAX 2006 - the very first experience**, 4:00 pm  58
*Location: PricewaterhouseCoopers Office Building*

Speakers: Elkán László, igazgató; Horváthné Szabó Beáta, vezető menedzser; Kurucz-Váradi Károly, vezető menedzser
*Sponsored by: PricewaterhouseCoopers*

7 Tuesday  **Political and Corporate Leaders' Forum**, 8:30 am  135
*Location: Budapest Marriott Hotel, Topic: Vision for Hungary 2006-2011*
8 Wednesday  **Seminar & Cocktail on US Tax Services, 9:00 am**
*Location: KPMG Building*
*Speakers: Rashel Meiworm, Senior Tax Manager, KPMG; Gabriella Nink, Tax Partner, KPMG in Hungary; Michael Glover, Tax Partner, KPMG in Hungary*
*Sponsored by: KPMG*

8 Wednesday  **Corporate Governance Committee Meeting, 7:30 am**
*Location: AmCham Conference Room*

9 Thursday  **Patron Dinner with Dr. János Martonyi, 7:00 pm**
*Location: Four Seasons Hotel Gresham Palace Budapest*

16 Thursday  **Executive Committee Meeting, 7:30 am**
*Location: AmCham Conference Room*

20 Monday  **Business Forum with Ferenc Gyurcsány, Prime Minister of the Republic of Hungary, 1:00 pm**
*Location: InterContinental Budapest*

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*Party presidents at the Second Political and Corporate Leaders’ Forum on March 7, 2006*
22 Wednesday **Seminar & Cocktail on Changes in the Companies' Act, 4:00 pm**  
*Location:* Corinthia Hotel Aquincum.  
*Speakers:* Pál P. Takács, Partner, Martonyi és Kajtár Baker & McKenzie; György Antall, Partner, Réti, Antall and Madl Landwell; Judit Budai, Attorney, Szecskay Attorneys at Law  
*Sponsored by:* Martonyi és Kajtár Baker & McKenzie, Réti, Antall and Madl Landwell and Szecskay Attorneys at Law  

22 Wednesday **Political and Legislative Affairs Committee Meeting, 7:30 am**  
*Location:* AmCham Conference Room  

22 Wednesday **Internal Corporate Governance Committee Meeting, 7:30 am**  
*Location:* AmCham Conference Room  

22 Wednesday **Environment Committee Meeting, 8:30 am**  
*Location:* AmCham Conference Room  

23 Thursday **Euro-Atlantic Committee Meeting, 5:00 pm**  
*Location:* AmCham Conference Room  

27 Monday **Executive Committee Meeting, 7:30 am**  
*Location:* AmCham Conference Room  

27 Monday **SME Committee Meeting, 3:00 pm**  
*Location:* Budapest Bank  

28 Tuesday **Board Meeting, 7:30 am**  
*Location:* AmCham Conference Room  

29 Wednesday **Patron Dinner with Minister of Informatics and Communications, Kálmán Kovács, 7:00 pm**  
*Location:* Biarritz Restaurant  

**April**

4 Tuesday **Membership Committee Meeting, 8:30 am**  
*Location:* AmCham Conference Room  

10 Monday **Internal Corporate Governance Committee, 7:30 am**  
*Location:* AmCham Conference Room  

12 Wednesday **Seminar & Cocktail on 5+1 Competency Workshop – Preparing the Competency Profile of High Potentials, 4:00 pm**  
*Location:* Corinthia Hotel Aquincum  
*Speaker:* Miriam Hofsté - Head of Talent Management, Hudson Global Resources  
*Sponsored by:* Hudson Global Resources
13 Thursday  **Corporate Governance Committee Meeting**, 7:30 am  
*Location: AmCham Conference Room*

19 Wednesday  **Environment Committee Meeting**, 8:30 am  
*Location: AmCham Conference Room*

20 Thursday  **AmCham-Deloitte Risk Series**, 7:30 am  
*Location: Budapest Marriott Hotel*  
*Topic: Control the risks inherent in outsourced services*  
*Speakers: Justin Bancroft, Partner, Deloitte Advisory and Management Consulting Ltd.; Ralph van Uden, Senior Manager, Deloitte Advisory and Management Consulting Ltd.*  
*Sponsored by: Deloitte*

21 Friday  **Executive Committee meeting**, 7:30 am  
*Location: AmCham Conference Room*

24 Monday  **Lobbying Study Trip to Brussels**  
*Location: Brussels, Belgium*

24 Monday  **Proclamation Press Conference**, 2:00 pm  
*Location: Kempinski Hotel Corvinus Budapest*

25 Tuesday  **Board Meeting**, 7:30 am  
*Location: AmCham Conference Room*

25 Tuesday  **IT Committee Meeting**, 4:00 pm  
*Location: AmCham Conference Room*

27 Thursday  **Business Forum with Andrew G. Vajna**, 12:00 pm  
*Location: Kempinski Hotel Corvinus Budapest*

**May**

9 Tuesday  **Seminar & Cocktail on Corporate Social Responsibility and Social Accountability**, 4:00 pm  
*Location: Corinthia Hotel Aquincum*  
*Speakers: Róbert Braun, Managing Partner, Braun & Partners; Gábor Liptay, General Manager, Globe System Consulting Ltd.; György Laczkó, Marketing and Sales Manager, DNV Hungary Ltd.*  
*Sponsored by: Braun & Partners, Globe System Consulting and DNV Hungary*

10 Wednesday  **Corporate Governance Committee Meeting**, 7:30 am  
*Location: AmCham Conference Room*

12 Friday  **Seminar and Roundtable Discussion**, 9:00 am  
*Location: Corvinus University of Budapest*  
*Topic: Energy Security and Climate Change*
17 Wednesday  **AmCham-ICEG EC Morning Presentation Series**, 8:00 am  
Location: Budapest Stock Exchange.  
**Topic**: ICT – E-commerce, productivity and growth in Hungary and in the region  
**Speaker**: Pál Gáspár, Director, ICEG EC  
17 Wednesday  **FDI Regional Center Meeting**, 9:00 am  
Location: AmCham Conference Room  
17 Wednesday  **Environment Committee Meeting**, 8:30 am  
Location: AmCham Conference Room  
21 Sunday  **AmCham Foundation Charity Golf Tournament and Family Day**, 9:00 am  
Location: Old Lake Golf Club, Tata  
**Main sponsors**: Korn/Ferry International and Volvo Hungary

*Damian MacPherson, Golf Pro of Old Lake Golf Club holds an introductory golf lesson for beginners at the AmCham Foundation Charity Golf Tournament and Family Day on May 21, 2006 at the Old Lake Golf Club near Tata, Hungary.*

21 Sunday  **AmCham Foundation Board of Trustees Meeting**, 2:00 pm  
24 Wednesday  **Euro-Atlantic Committee Meeting**, 5:00 pm  
Location: AmCham Conference Room
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<tr>
<td>30 Tuesday</td>
<td>Board Meeting, 7:30 am</td>
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<td>AmCham Conference Room</td>
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<tr>
<td>31 Wednesday</td>
<td>AmCham-Deloitte Tax Mornings, 7:30 am</td>
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<td>Budapest Marriott Hotel</td>
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<td></td>
<td>Topic: Tax Amnesty - questions and challenges</td>
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<td>Speakers: Dr. Oszkó Péter, Deloitte Zrt.; Gyuricsku Eszter, Deloitte Zrt.</td>
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<td>Sponsored by: Deloitte</td>
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<td>June</td>
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<tr>
<td>1 Thursday</td>
<td>Extraordinary Business Forum with Krisztián Orbán, Managing Partner, CEMI, 12:00 pm</td>
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<td>Kempinski Hotel Corvinus Budapest</td>
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<td>Topic: How to Restore Stability and Promote Growth</td>
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<tr>
<td>6 Tuesday</td>
<td>Membership Committee Meeting, 8:30 am</td>
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<td>AmCham Conference Room</td>
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<td>8 Thursday</td>
<td>Labour and Education Committee Meeting, 4:00 pm</td>
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<td>14 Wednesday</td>
<td>Corporate Governance Committee Meeting, 7:30 am</td>
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<td>14 Wednesday</td>
<td>Internal Corporate Governance Committee Meeting</td>
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<td>Weil, Gotshal &amp; Manges Office</td>
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<td>16 Friday</td>
<td>AmCham-ICEG EC Conference: Critical Decisions After Elections, 7:45 am</td>
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<td>Hilton Budapest WestEnd</td>
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<td>17 Saturday</td>
<td>3rd AmCham-Weber Shandwick International Tennis Open, 8:00 am</td>
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<td>VASAS Sports Club</td>
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<td>Sponsored by: Weber Shandwick</td>
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<tr>
<td>21 Wednesday</td>
<td>Environment Committee Meeting, 8:30 am</td>
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<td>AmCham Conference Room</td>
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<td>26 Monday</td>
<td>Experts' Meeting on National Development Plan II, 4:00 pm</td>
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<td>27 Tuesday</td>
<td>Board Meeting, 7:30 am</td>
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<td>27 Tuesday</td>
<td>IT Committee Meeting, 4:00 pm</td>
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28 Wednesday  New Member Welcome Cocktail, 11:30 am  Location: Kempinski Hotel Corvinus Budapest

28 Wednesday  Business Forum with George Herbert Walker, US Ambassador to Hungary, 12:00 pm  Location: Kempinski Hotel Corvinus Budapest  
Topic: The U.S. and Hungary: Strong Partners Looking to the Future

29 Thursday  Labour and Education Committee Meeting, 4 pm  Location: AmCham Conference Room

July
2 Sunday  AmCham Independence Day Family Celebration 2006, 9:30 am  Location: Corinthia Hotel Aquincum.  
Main sponsor: Pappas Auto Hungary

6 Thursday  Membership Committee Meeting, 8:00 am  Location: AmCham Conference Room

10 Monday  Internal Corporate Governance Committee Meeting, 7:30 am  Location: iEurope Capital Office

12 Wednesday  Corporate Governance 4
Committee Meeting, 7:30 am
Location: AmCham Conference Room

28 Friday  Internal Corporate Governance Committee Meeting 5
Location: Weil, Gotshal & Manges Office

August
9 Wednesday  Corporate Governance 4
Committee Meeting, 7:30 am
Location: AmCham Conference Room

September
8 Friday  Business Forum with Professor Charles Gati, 12:00 pm 68
Location: Budapest Marriott Hotel
Topic: Fifty Years Later: The Hungarian Revolution Reconsidered

13 Wednesday  Seminar & Cocktail on Implications of the New Austerity Tax Law Package, 4:00 pm 80
Location: Corinthia Hotel Aquincum
Speakers: Botond Rencz, Partner, Ernst & Young; Brian...
Holmes, Senior Manager, Ernst & Young; Róbert Heinczinger – Partner, Ernst & Young  
Sponsored by: Ernst & Young

13 Wednesday  
**Corporate Governance Committee Meeting**, 7:30 am  
*Location:* AmCham Conference Room

14 Thursday  
**Business Forum with April H. Foley,**  
**U.S. Ambassador to Hungary,** 12:00 pm  
*Location:* Kempinski Hotel Corvinus Budapest Budapest

20 Wednesday  
**Environment Committee Meeting,** 8:30 am  
*Location:* AmCham Conference Room

26 Tuesday  
**Board Meeting,** 7:30 am  
*Location:* AmCham Conference Room

26 Tuesday  
**Healthcare Position Brief Press Conference,** 10:00 am  
*Location:* Budapest Stock Exchange

29 Friday  
**Global Leaders on the AmCham Podium with John T. Chambers,**  
**President and CEO of Cisco Systems Inc.,** 12:30 pm  
*Location:* Budapest Marriott Hotel

Péter Hegedűs receiving the Dr. Iván Völgyes Award at the 16th Annual General Assembly of AmCham on October 11, 2005 in the Budapest InterContinental Hotel.
11. LIST OF MEMBERS
AS OF SEPTEMBER 29, 2006

11.1. Patron Members
11.2. Corporate Members

- 3M Hungária Kft.
- Abbott Laboratories (Hungary) Kft.
- Accenture Kft.
- ADT-SENSORMATIC Kereskedelmi Kft.
- AEGON Magyarország Általános Biztosító Zrt.
- Agribrands Europe Hungary Zrt.
- Ahrend s.r.o.
- ALCOA Wheel Products Europe
- Allianz Hungária Biztosító Zrt.
- American Airlines / Tensi Aviation Ltd.
- American Express Hungary Ltd.
- Artesyn Kft.
- AVNET Kft.
- AVON Cosmetics Hungary
- Bank Leumi Representative Office, Hungary
- Bankár Tőkebefektetési és Tanácsadó Zrt.
- Baxter Hungary Kft.
- Beneficial Zrt.
- Berecz & Andrékő Linklaters
- BNP Paribas Hungária Bank Rt.
- Boston Scientific Hungary Ltd.
- Brink’s C.L. Hungaria Zrt.
- Bristol-Myers Squibb Kft.
- British Airways
- British American Tobacco Hungary
- Brown-Forman Magyarországi Fióktelep
- Budapest Bank
- Budapest Marriott Hotel/Millennium Court
- Budapesti Elektromos Művek Rt.
- Carlson Wagonlit Travel
- Caterpillar Hungary Ltd.
- Central-European International Bank Ltd.
- Cityhome Ltd.
- Coca-Cola Magyarország Szolgáltató Kft.
- Colgate Palmolive
- Coloplast Hungary Kft.
- Columbian Tiszai Carbon Ltd.
- Computer Associates International
- Corinthia Hotels Budapest
- Csepeli Áramtermelő Kft.
- DaimlerChrysler Automotive Hungária Kft.
- Deloitte Zrt.
- Deutsche Bank Rt.
- DHL Express Magyarország Kft.
- Diageo Business Services Kft.
- Dow Hungary Chemicals Ltd.
- Dreher Sörgyárak Zrt.
- DuPont Magyarország Kft.
- E.ON Hungária Rt.
- Economist Intelligence Unit
- Electro World Magyarország Kft.
- EMA-POWER Kft.
- Erős Ügyvédi Iroda / Squire, Sanders & Dempsey LLP.
- Erste Bank Hungary Nyrt.
- Euromedic International Kft.
- Euronet Adminisztrációs Kft.
- EuroWeb Internet Szolgáltató Zrt.
- EXEL Szállítmányozási Kft.
- Exxonmobil Business Support Center Hungary Ltd.
- ExxonMobil Hungária Kft.
- Flextronics International Kft.
- Forever Living Products Hungary Ltd.
- Four Seasons Hotel Gresham Palace Budapest
- Fővárosi Ásványvíz és Üdítőipari Zrt. (FÁÜ Zrt)
- Fresenius Medical Care Magyarország Egészségügyi Kft.
- Fusion Investments Private Co. Ltd.
- General Motors Powertrain Magyarország Kft.
- General Motors Southeast Europe Ltd.
- Genpact Hungary Kft.
- Graphisoft R&D Zrt.
- HBO Holding Kft.
- Hewlett-Packard Magyarország Kft.
- Hilton Budapest
- Hilton Budapest WestEnd
- HOCHTIEF Construction AG Branch Hungary
- Honeywell Kft.
- IKO New Media Ltd.
- ING Bank Zrt.
- Intel Hungary
- Inter-Continental Szálloda Budapest
- Intercooperation Marketing és Disztribúciós Zrt.
- Inter-Európa Bank Rt.
- International Herald Tribune
- Internet Securities Magyarország Kft.
- Intrum Justitia Kft.
- INVITEL Távközlési Szolgáltató Zrt.
- Jabil Circuit Magyarország Kft.
- Janssen-Cilag Kft.
- JohnsonDiversey Magyarország Kft.
- K&H Bank Nyrt.
- KDB Bank (Hungary) Ltd.
- Kempinski Hotel Corvinus Budapest
- KLM Royal Dutch Airlines
- Kodak Kft.
- KPMG
- Kraft Foods Hungária Kft.
- Landesbank Baden-Württemberg Budapesti Képviselet
- Le Meridien Budapest
- Lear Corporation Hungary Kft.
- LeasePlan Hungária Rt.
- Lilly Hungária Kft.
- Magyar Lapterjesztő Rt.
- Magyar Posta Biztosító Zrt.
- Magyar Posta Zrt.
- MALÉV Hungarian Airlines
- Martonyi és Kajtár Baker and McKenzie Attorneys at Law
- McCann-Erickson Budapest Nemzetközi Reklámügynökség Kft.
- McDonald’s Magyarországi Étterem Hálózat Kft.
- Medicover Egészségközpont Zrt.
- Microsoft Magyarország
- MINOR Rendszerház Rt.
- MKB Bank Nyrt.
- ModusLink Hungary Kft.
- MOL Magyar Olaj-és Gázipari Nyilvánosan Működő Részvénytársaság
- National Instruments Europe Kft.
- Nestlé Hungária Kft.
- Nexperia Magyarország Kft.
- NH Hungary Hotelmanagement Kft.
- Nike European Operations Netherlands B.V. Magyarországi Fióktelepe
- Nissan Sales Central and Eastern Europe kft.
- Nokia Hungary Kft.
- Novell Magyarország Kft.
- ODIN Technologies Budapest Kft.
- Office Depot Hungary Kft.
- ORCO Vagyonkezelő Kft.
- OTP Bank Rt.
- Pannon GSM Telecommunications Rt.
- Philip Morris Magyarország Kft.
- Philips Magyarország Kft.
- Porsche Hungaria Kereskedelmi Kft.
- PricewaterhouseCoopers Kft.
- PrintXBudavár Kiadói, Nyomdaipari és Informatikai Zrt.
- ProLogis Hungary Management Kft.
11.3. Business Members

- A.O. Smith Kft.
- AAM Tanácsadó Zrt.
- Achieve Learning Hungary Kft.
- Active International (AMS-CE/Group '92 H. Kft.)
- Adecco
- Adina Apartman Hotel
- Adoc-Semic Kiadói és Nyomdai Kft.
- AFL - Hungary Kft.
- AFT Európa Kft.
- AGS Worldwide Movers
- AHICO-First American-Hungarian Insurance Co.
- AIG/ Lincoln Kft.
- AirBridge Zrt.
- AITIA International Zrt.
- Aktív Faktorház Rt.
- AM Design Kft.
- American Appraisal Hungary Co. Ltd.
- American Marketing Concepts Bt.
- Amgen Kft.
- AMRI Hungary Zrt.
- Amrop Hever Group / Kohlmann & Young
- Amway Hungária Marketing Kft.
- Andrássy Hotel és Residence Izabella
- AP International Magyarország Kft.
- APC Hungary
- Aquastella Kft.
- Asylum Telecom
- AVAYA Hungary Ltd.
- AVIS/AGO Ltd.
- A-Z Buda CopyCAT Kft.
- ÁNIT Management & Investment Consulting Ltd.
- Bancraft Kft.
- Bank Hapoalim Hungarian Representative Office
- BAUSTAR Építőipari Szolgáltató és Kereskedelmi Kft.
- Bán, S. Szabó & Partners in cooperation with Gleiss Lutz
- BDO Kontroll Auditing and Tax Consulting Ltd.
- Bergmann Auditing & Tax Consulting Ltd.
- Best Western Premier Hotel Parlament
- Bloomberg News
- Blue Business Interior Ltd.
- BMC Software Magyarország Kereskedelmi Kft.
- Boda & Partners Kft.
- bpv Jádi Németh Ügyvéd iroda
- Brokemet Kft.
- Brunswick Hungary LLC.
- Budapest In Your Pocket ProPublishing Kft.
- Budapest Ragtime Band
- Business Lease Hungary Kft.
- Calyon Bank Zrt.
- Cascade Engineering Europe
- Centrál-Faktor Pénzügyi Rt.
- CEVA Magyarország Könyvezetvédelmi és Könyvezetbiztonsági Kft.
- Chemol Travel Utazási Iroda Kft.
- Clearwater Kft.
- CMS Cameron McKenna LLP (Hungarian Office)
- Colliers International (Hungary) Ltd.
- ComInnex Zrt.
- ConAction
- Concordia Szervezet- és Vezetésfejlesztési Kft.
- Connexis Kft.
- Continuum Consulting Bt.
- Copy General Kft.
- Corning Hungary Kft.
- Corstjens Worldwide Movers Group Kft.
- Crossroads Capital (Hungary) Kft.
- Cushman & Wakefield Kft.
- Danufone Kft.
- Darby Overseas Investment Ltd.
- Dataplex Kft.
- DDB Budapest Kft.
- Delphi-Calsonic Hungary
- Develor Tanácsadó Zrt.
- Dezső and Partners Law Firm
- Dialog Plusz Számítástechnikai Kft.
- DIT Informatikai Kft.
- DKV Euro Service Representative Office
- Docu Guard Kft.
- Dr. Asbóth Dr. Krajnyák & Társa Ügyvédi és Szabadalmi Iroda
- Dr. Pendl & Dr. Piswanger Int. Management Consulting Co.
- Dr. Sas Clinic Plastic Surgery
- DRAMATRIX / VSDC Tréning Központ Kft.
- DTZ Hungary Kft.
- Dun & Bradstreet Hungária Kft.
- Duna Elektronika Ltd.
- DunaPro Rt.
- E.ON IS Hungary Kft.
- EastEuroCo Kft.
- EETEK Holding Zrt.
- EF&EC Kft.
- Egon Zehnder International Kft.
- E-Group Magyarország Rt.
- Elanders Hungary Kft.
- EPICOR Software Hungary Kft.
- Equis Ingtatlanácsadó Kft. / Equis Real Estate Consulting Ltd.
- Estée Lauder Kereskedelmi Kft.
Solvo Biotechnológiai Zrt.
Spencer Stuart Management Consulting Kft.
Steelcase S.A. Magyarországi Kereskedelmi Képviselete
Stratis Vezetői és Informatikai Tanácsadó Kft. - META Group Hungary
Subway Sandwiches
Sun Microsystems Hungary
Sylvan Hungária Kft.
Synergon Informatika Részvénytársaság
Szecskay - Attorneys at Law
Szofi Algorithmic Research Kft.
Tapasztó Optic Ltd.
TARGET Hungária Kft.
Technotrade Finance Kft.
TeleMedia Kft.
Teva Legal Centre Hungary / ORVET Kft.
TIG-RES Vállalkozásfejlesztési Rt.
TNS
TNT Express Worldwide Hungary Ltd.
Toi-Toi Kft.
Toreador Magyarország Kft.
Trader Publications Hírlapkiadó Kft.
Transcom Hungary Kft.
Transeurope Consulting Kft.
Trust Hungary Rt.
ULX Kft.
United Informatics Kft.
UPS SCS Magyarország Kft.
UTB Envirotec Kft.
UUNET Magyarország Kft.
VAR Kereskedelmi és Szolgáltató Kft. / VAR Trading and Solutions Ltd.
Virányos Klinika
VISTA Travel Ltd.
Vogel Burda Communications Kft.
Weber Shandwick Politikai és Kommunikációs Tanácsadó Kft.
WildHorse Energy Hungary Kft.
Wincanton Trans European Hungary Logisztikai Kft.
Winterthur Biztosító Zrt.
World Class International Tanácsadó (Magyarország) Kft.
Wrigley Hungária
Würth Phoenix Informatikai Kft.
11.4. Non-profit Members

- 3TS Venture Partners Direct Trade Representative Office
- AFS Hungary Intercultural Programs Foundation
- American Association of Airport Executives
- American International School of Budapest
- Australian Embassy
- Budapest Stock Exchange / Budapesti Értéktőzsde Rt.
- Budapesti Corvinus Egyetem
- CEU Graduate School of Business
- Children Cancer Foundation
- Danube International Church
- European Business Polytechnic
- Foundation for Limbless Children
- Foundation for the Technological Progress of the Industry (FTPI)
- Fulbright Bizottság
- Habitat for Humanity International Europe & Central Asia
- Habitat for Humanity Magyarország Alapítvány
- Happy Kids International Kindergarten
- Harris Health Services Hungary
- Horvát Idegenforgalmi Közösség Magyarországi Képviselete
- Institute of International Education
- International Christian School of Budapest
- International Management Services Ltd.
- International Women's Club Association
- Junior Achievement Magyarország Alapítvány
- Magyar Befektetési és Kereskedelemfejlesztési KHT.
- Magyar Telekom Hungarian Symphony Orchestra
- Management Centre Europe
- Nemzetközi Gyermekmentő Szolgálat Magyar Egyesület
- Nemzetközi Technológiai Kht / HTEC (Hungarian technology Center)
- Nemzetközi Üzleti Főiskola
- Nonprofit Information and Training Center Foundation
- ÖKO-Pannon Kht.
- Royal Netherlands Embassy
- Royal Thai Embassy
- Summa Artium Culture Promoting Public Benefit Company
- Szent István Egyetem MBA Központ
- Szentes Város Önkormányzata
- The Regional Environmental Center for Central and Eastern Europe
- United Way Hungary
- WWF World Wide Fund for Nature
- YFU Hungary
11.5. Individual Members

- Balogh, Attila Balázs
- Bartis, Bela Jr.
- Bálint, A. Charles
- Báti, Ferenc
- Bodnár, Zsigmond Dr.
- Collison, Charles
- Csepregi, Katalin Dr.
- Dadi, János Dr.
- Debreczeni, Sándor
- Dixon, L. Ronald
- Dudás, János
- Duha, Tibor
- Erkel, András
- Farago, John
- Feher, Martin
- Fehér, Kornél
- Fekete, Károly Dr.
- Fóti, Klára
- Futász, Dezső
- Gifford, Jonathan
- Gortvay, István
- Grosser Lagos, Enrique
- Gulyás, Péter
- Hasbrouck, D. Judith
- Herczeg, Imre
- Horváth, Gábor
- Horváth, János Dr.
- Horváth, Róbert
- Jalsovszky, Pál Dr.
- Jókay, Charles
- Karatosic, Daniel
- Kard, Aladár
- Kelen, András
- Keller, E. Lajos
- Kertész, Magda
- Klausz, Frank
- Komjáthy, Emese
- Kuti, Ferenc
- Lenoci, James
- Liptay, Gábor
- Lucas, Scott
- MacDonald Ian
- Madacsi, A. Paul
- Magyar, Kálmán
- Márton, Ibolya Diána Dr.
- McKinley, Williams
- Mezei, László
- Oldroyd, R. Stewart
- Pados, László
- Pákay, András Dr.
- Réthy, Sándor Dr.
- Simkó, Péter Dr.
- Spinder, Stephen
- Szabó, Monika
- Szendrey, Gábor Dr.
- Szendrey, Silvia
- Terták, Ádám
- Trizna, Júlia
- Várkonyi, Attila
12.6. Honorary Members

- Bienerth, Gusztáv Dr.
- Bina, Steven
- Blinken, Donald
- Boone, Theodore S.
- Brinker, Nancy G.
- Bush, Edward J.
- Czirják, László
- Hegedűs, A. Péter
- Hinkle, Larry
- Huebner, Charles A.
- Knuepfer, Robert C. Jr.
- Kraft, Péter Dr.
- Sanders, Ronald and Sarah
- Shade, Michael J.
- Simonyi, András
- Sugár, András
- Szablya, Helen
- Tufo, Peter F.
- Walker, Herbert George