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General Contracting Terms and Conditions

ON BANK ACCOUNT, DEPOSIT ACCOUNT AND TERM DEPOSIT PRODUCTS
OFFERED TO RESIDENT AND NON-RESIDENT NATURAL PERSONS

Published on January 2, 2020

These GCTC have been amended based on Section 10.3 hereof, due to the amendment of the applicable legislation. The amendment:

concerning the rules on the introduction of the Fee Statement, detailed under section 7.4, comes into **effect upon publication**, while
that concerning the new services related to instant HUF payments and Secondary Account Identifiers comes into effect as of **March 2, 2020**.



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TABLE OF CONTENTS

1.	GENERAL PROVISIONS	3
2.	DISPOSAL OVER THE ACCOUNT	4
3.	FINANCIAL TRANSACTIONS	7
4.	REFUNDING, BANK'S ERROR, REQUEST FOR CORRECTION	14
5.	DAMAGES	15
6.	INTEREST, CHARGES, FEES AND COMMISSIONS	16
7.	ACCOUNT STATEMENTS	17
8.	PROVISIONS APPLICABLE TO SPECIAL ACCOUNTS	18
9.	AUXILIARY SERVICES LINKED TO THE ACCOUNT	20
10.	OTHER PROVISIONS	23



K&H Bank Zrt. (registered office: 1095 Budapest, Lechner Ödön fasor 9., company reg. no.: Cg.01-10-041043, activity licence no.: ÁPTF 969/1997/F, date of activity licence: 26 November 1997) hereinafter referred to as the Bank) shall apply the terms of these General Contracting Terms and Conditions (hereinafter referred to as GCTC), its effective Announcement on the bank accounts, term deposits and teller transactions of natural persons (hereinafter referred to as the Announcement), as well as the relevant agreement (hereinafter collectively referred to as the Agreement or the Account Agreement), to the opening and maintenance of payment accounts, deposit accounts and term deposits (hereinafter referred to as the Account) for its natural person clients, either resident or non-resident in Hungary (hereinafter referred to as the Account Holder), as well as to the provision of related auxiliary services.

If any issue concerning any service is not covered by the relevant agreement, the GCTC or the Announcement, it shall be subject to the Bank's currently effective General Terms and Conditions, the laws of the Hungarian Republic in general and the prevailing act and NBH decree on Providing Payments Services (the act hereinafter referred to as Payment Services Act) and the prevailing act on credit institutions and financial enterprises (Credit Institutions Act) in particular.

The contractual conditions are defined by the agreement concluded by and between the Parties for opening and managing the Account as well as the related payments, deposit and other services, the relevant section(s) of the General Terms and Conditions, the GCTC and the Announcement, which shall be classified as a framework agreement pursuant to the Act No LXXXV of 2009 on Providing Payments Services.

An Agreement for opening an Account may also be entered into under a Framework Agreement concluded between the Bank and the Client for the provision of Banking Services (hereinafter referred to as the Framework Agreement), under the terms and conditions regulated in the Framework Agreement. In the event that an Account is opened under a Framework Agreement, the Framework Agreement and the related Service application, these GCTC and the Announcement together shall constitute the Account Agreement. If the Framework Agreement is concluded in connection with an amendment to an effective Account Agreement, any later amendment to or termination of the Bank Account Agreement shall be governed by the provisions of the Framework Agreement.

Any service under the GCTC provided by the Bank by using or mediating the service of Magyar Posta Zrt. shall also be subject to the relevant contractual terms and conditions of Magyar Posta Zrt. (General Terms and Conditions, other regulations).

Before concluding the contract, the Bank shall fulfil its obligation of previous legal reporting by handing over a copy of the agreement to the Account Holder paper-based or on durable data medium and displaying the General Terms and Conditions, the GCTC and the Announcement in the client areas. Durable data medium is the Internet in general and the Bank's homepage in particular.

1. GENERAL PROVISIONS

- 1.1. The relationship between the Bank and the Account Holder during the conclusion and the validity period of the contract shall be managed in Hungarian.
- 1.2. The Bank shall fulfil the Account Holder's request any time and provide the contractual terms and conditions and the data as per the Payments Services Act on paper or durable data medium during the validity period of the agreement.
- 1.3. The types of Accounts maintained by the Bank and the terms thereof shall be set out in the Announcement. The range of Accounts available under the Framework Agreement shall be specified in the Announcement in effect at the time the Account Agreement is concluded. After the Account Agreement is amended, it shall be governed by the provisions of the Announcement in effect at the time of the amendment.
- 1.4. The Bank may require the depositing of a minimum opening amount as a condition of opening an Account. The extent of such minimum sum shall be specified in the Announcement.



- 1.5. The conclusion and validity of an Account Agreement where the Account Holder is a partially incapacitated minor shall be subject to a "Statement of Consent" – forming an inseparable part of the Agreement– being signed by the minor's legal representative. The Account Holder shall individually have disposal over the bank account of the partially incapacitated minor; the legal representative shall have disposal over the account without authorisation by the partially incapacitated minor Account Holder.
- 1.6. An incapacitated minor may not open an account alone; his or her legal representative shall act on his or her behalf when opening the account. When an account is opened in the name of an incapacitated minor, any legal representative shall individually have disposal over the account in the name of the minor until the minor is 14 years of age.
- 1.7. When a minor Account Holder reaches the legal age, the Account Agreement must be signed by the Account Holder, otherwise the Bank shall have the right to terminate the Account Agreement.

2. DISPOSAL OVER THE ACCOUNT

- 2.1. The Account Holder and the Co-Account Holder (hereinafter jointly referred to as the Account Holder), as well as a Proxy (to the extent of his/her mandate) shall have disposal over the Account. Any instructions will be accepted subject to the identification or other type of authentication of the representative's person.

The authentication shall cover the following:

- checking personal data based on a personal identification document(s) as specified in the Announcement, and
- comparing the person's signature with the specimen signature on the Bank's records; or
- a banking procedure that allows the Bank to establish, at the time of approving the Order, the identity of the person with disposal rights over the account, including, in particular, the validity of the data, used for personal authentication, of the person who has right of disposal over the account.

2.2. Co-Account Holder

The Account Holder may agree with a Co-Account Holder to convert an Account into a joint account at the time the Account is opened or at any time thereafter. An Account defined in the Announcement may have maximum two account holders (Joint Account) who shall then have the same rights and obligations under the agreement, and be jointly and severally liable for any debt arising in connection with the Account (including interest, commission, fees, charges and debt repayment). The Account Holders shall have disposal rights of equal worth, and no limitation shall be accepted by the Bank in this respect. Any statement, instruction or order received from either Account Holder shall be regarded by the Bank to have also been made, given or placed by the other Account Holder, and the Bank shall accept the Account Holders as each other's proxy holders. In the case of a Joint Account, an instruction given jointly by the Account Holders shall be required for any commitment related to the Account (e.g. applying for an overdraft facility, applying for a bankcard for a third party, blocking the Account) and for terminating the Joint Account. In other matters the Account Holders shall have the right to dispose over the account freely and individually in respect of the services available for the Joint Account. The Joint Account may not be terminated individually by either Account Holder. The parties may agree to terminate the account holder status of either party by mutual agreement. Either account holder is entitled to unilaterally terminate the agreement concerning the joint account without terminating the account agreement, thereby terminating their account holder status, provided that the balance of the account in question is not negative, causing

the other account holder to become the sole account holder of the Account, while the account holder having terminated their account holder status will no longer have disposal over the account and they will cease to be a beneficiary in the event of the other account holder's death.

2.3. Proxy

2.3.1. The Account Holder may grant a standing or ad hoc proxy for disposal over the Account. Such proxy may be granted on the Bank's form, or in a separate document, which may be in the form of a private document of full probative value, or a notarized document. The proxy shall include the personal data of the Account Holder granting the proxy and those of the proxy holder as well as the matter(s) covered by and the scope of the proxy. The Bank shall accept proxies issued abroad if they are re-authenticated in compliance with the applicable laws. Such re-authentication may take the form of counter-signature by a Hungarian lawyer, or a certificate from the Hungarian consulate in the country of issue, or by issuing a so-called Apostille if the country of issue is party to the Hague Convention (promulgated in Decree-Law No.11 of 1973). In the case of documents issued in a foreign language, the Bank shall have the right to request an official Hungarian translation.

Should the Bank deem such proxy ambiguous on account of its format or content, or when the interpretation of its contents requires the perusal of further documents or the examination of the conditions included in the proxy, the Bank shall have the right to refuse to take action on the basis of such proxy.

In the case of a Joint Account, either account holder may individually designate a proxy holder or revoke the proxy of a person with disposal over the account regardless of which Account Holder granted the proxy. A proxy holder designated to have disposal over a Joint Account shall be regarded by the Bank to have disposal rights pursuant to the common intention of both Account Holders.

Following the Bank's official receipt of information on the death of an Account Holder, all proxies issued by the late Account Holder shall cease in effect. In the case of a Joint Account, the proxies shall continue in effect until revoked by the surviving Account Holder, provided that the Account is not closed.

The Bank shall exclude all liability for damage occurring in the period between the Account Holder's death and the Bank's receipt of information of the same.

2.3.2. The Account Holder may grant a **standing proxy**, which vests the proxy designated by the Account Holder with individual and full disposal rights. The standing proxy may be general (hereinafter General Proxy), where the Account Holder vests the proxy holder with individual and full disposal rights in respect of all his or her existing and future Accounts, or account-specific (hereinafter Account-Specific Proxy), which grants the proxy holder individual disposal rights over the Account Holder's bank account specified in the proxy. The disposal rights of the proxy holder shall take effect on the banking day following the day the proxy is filed with the Bank. The Account Holder may limit the disposal rights of such standing proxy holder only in respect of the duration thereof. A standing proxy not limited in time shall remain in effect until revoked.

The disposal rights of a standing proxy holder shall only cover transactions made on the Account, up to the available balance, including the following actions taken on the Account on behalf of the Account Holder: cash transactions, placing and modifying transfer orders, making term deposits, modifying and terminating term deposits, placing and modifying orders to settle service providers' fees, and providing information on changes in his or her own personal identification data (as proxy holder). The standing proxy holder shall have no right to modify or terminate the agreement, grant disposal rights over Account to another person, or enter into a contract for any other services related

to the Account. The standing proxy holder shall have the right to retrieve the Account balance, but cannot obtain information about account history without a separate (one-off) authorization by the Account Holder.

- 2.3.3. An **ad hoc proxy** shall entitle the holder to take a single action specified in the relevant proxy document. In addition to the standard content elements specified in Section 2.3.1, an ad hoc proxy shall include the account number, the description of the order, its amount and currency, and the exact description of the action to be taken by the proxy holder on the Account Holder's behalf. The disposal rights of an ad hoc proxy holder shall be in accordance with the contents of the proxy; the proxy holder shall require a specific authorization to retrieve the balance or history of the Account. For security reasons the Bank shall only accept ad-hoc proxies dated not earlier than 30 days before they are presented. The acceptance of an ad hoc proxy may be subject to further criteria set out in the Bank's Announcement.
- 2.3.4. If the Account Holder does not have free disposal over the bank account covered by the proxy (e.g. collateral deposit account, blocked account), the proxy holder's disposal rights over the account shall be restricted in the same manner as those of the Account Holder, so the proxy holder shall only have the right to obtain information about the account balance and activity (if they are covered by the proxy).
- 2.3.5. If the Account Holder establishes a Co-Account Holder status with regard to a specific Bank Account after granting a proxy, then he must inform the Co-Account Holder of the proxy for the Account in advance. The Bank shall not be held liable at all for any consequences arising from the failure of such notification.
- 2.3.6. The Bank hereby stipulates that in the execution of payment orders pertaining to the accounts of Account Holders under the age of majority and exceeding the amount specified in the prevailing and applicable provisions concerning guardianship and the protection of minors shall be subject to the approval of the Guardianship Office as well as a legal statement issued by the legal representative in order for the latter to be valid, and the Bank is entitled to verify that such an approval has been obtained.

2.4. Specification of Beneficiary

- 2.4.1. An Account Holder of the age of majority has the right to specify beneficiaries for the event of his/her decease. In this case the balance of the Account shall not form part of the Account Holder's bequest, and the beneficiary may dispose over the amount on the Account and any term deposits from the Account irrespective of the inheritance proceedings. Such specification of beneficiary shall be unambiguous and unconditional. The Beneficiary shall be specified in respect of the balance maintained on the Account (also including term deposits from the Account).
- 2.4.2. In the event of the Account Holder's demise, the beneficiary shall have disposal over the balance maintained on the Account, upon producing any of the certificates proving of death referred in section 2.4.4. The disposal rights of the beneficiary are restricted to the termination of the Account and the cash disbursement or bank transfer of the amount maintained on the same. The order containing the specification of a beneficiary shall only be valid if the Account bears a positive balance at the time of the Account Holder's decease, and if it does not become negative subsequently as a result of the performance of instructions in the period between the time of the decease and the beneficiary's instructions.
- 2.4.3. If a joint account is opened, the Bank shall consider this as a declaration by the Account Holders to the effect that they specify one another as exclusive beneficiaries. Should one of the account holders die, then the other Account Holder shall become the sole Account Holder, in his/her capacity as

beneficiary in the event of death. Other than that, no further instruction for the event of death shall be allowed in respect of Joint Accounts.

- 2.4.4. The Account Holder shall be obligated to inform the Bank about the death of the other Account Holder, and also provide an official document thereof. The Bank shall bear no liability for default on this obligation. The Bank prefers to receive a death certificate, a final grant of probate or a certificate of inheritance as proof of death.

2.5. Inheritance

In the event of inheritance, the lawful heir shall only be allowed disposal over the Account upon bearing an original and effective inheritance ruling or inheritance certificate, and upon producing the same to the Bank. The Account Holder's heir may only issue instructions for the closure of the Account and the cash disbursement or bank transfer of the amount maintained on the Account. The Bank shall perform such payments only if the inheritance ruling clearly specifies the name(s) of heir(s), as well as the respective sums inherited by the same. The Bank has the right to enforce its Account related claims on the inheritors.

3. FINANCIAL TRANSACTIONS

3.1. General rules of placing orders

- 3.1.1. At the Account Holder's request, the Bank shall inform the Account Holder about the following before the Account Holder makes his/her legal statement with the aim of placing an Order based on the agreement: the point in time at which the service is to be provided; all the items of the fees and charges payable to the Bank as well as all the payment obligations in relation to the Bank. The information shall be provided through the Announcement on retail bank accounts.
- 3.1.2. Orders shall be given in writing, unless otherwise stipulated by the provisions of the Agreement. All other provisions applicable to the proper issue and execution of Orders are set out in the prevailing regulation and the Agreement of the Account Holder with the Bank. The contents and the date of Orders given by Account Holders or their proxies are confirmed by electronic records in the case of electronic banking services or by the relevant document containing the Order and formally received by the Bank.
- 3.1.3. The Bank shall execute the Orders in accordance with the order of execution in the Announcement provided that they fully comply with the currently effective laws and the conditions under the Contract. The Bank shall execute Debit Orders in the chronological order of receiving them unless otherwise provided for by the Account Holder or the relevant law on payments. The chronological order of receiving Orders shall be established based on the Bank's records. With regard to the order of receipt, Instant Transfer Orders shall qualify as cases when the Account Holder specified a different deadline.
- 3.1.4. The Bank shall specify a starting and closing time during the work day between which it receives bank Transfer Orders from Account Holders, and shall specify within this timeframe an order submission deadline specifying a time during the work day that allows the Bank to perform the requested transactions on the same banking day, unless the Account Holder specifies a later deadline, or there are applicable legislative provisions to the contrary effect. The Account Holder may not specify a deadline later than the given day for the performance of Instant Transfer Orders.

The specific submission deadlines applicable to the different individual types of Orders are set out in the Order of Performance in the Bank's current Announcement. Bank Transfer Orders submitted over the phone shall be regarded — in terms of their performance — as Orders placed electronically, but the rules on Instant Transfer Orders are not applicable in their case.

3.1.5. The Bank will only receive the order if the Account Holder gives it on the relevant form or – in case of a special agreement – electronically or over the phone and completes it in full compliance with the legal provisions on payments and the stipulations of the relevant contract and the necessary funds to cover the order are available. The Bank shall only accept Instant Transfer Orders if submitted by means of the Electronic Banking Service specified in the Announcement, and the Orders submitted in this manner shall be processed in a way requiring no human intervention. The time of receiving the Bank Transfer Order is the time when all the data necessary for the execution of the Transfer Order and the necessary funds are available at the Bank.

The Bank will consider the Order to have been previously approved by the Account Holder if it is submitted to the Bank on paper and the signature affixed to it corresponds to the specimen signature or if it is submitted electronically, or over the phone following proper authentication in accordance with the relevant contractual terms and conditions. If the Account Holder does not complete the 'payment system' column on the form PFNY11 or enters something other than the indication 'VIBER' (RTGS), the Bank will consider the Account Holder to have indicated the domestic payments system (GIRO) as the relevant payment system to be used.

The Account Holder shall issue the orders in one working process (rewriting) legibly, applying a pen or a typewriter or a printer using only black or blue ink to make any subsequent insertion or other modification or falsification impossible. The orders also need to be dated, and from then on the signature to be affixed by the Account Holder to any document shall equal to the specimen signature card.

The Bank may refuse to execute payment orders issued and submitted contrary to the provisions of the law on payments. The Bank will not accept and perform orders that are given incompletely, incorrectly, unintelligibly or inconsistently or that include any deletion, modification or correction or on which the cash amounts defined in figures do not correspond to those defined in letters, or the pre-printed content of which includes any insertion or deletion or crossing out or which is not dated or is predated or which has been torn or become dirty. In this case a new order must be issued.

3.1.6. Approved orders can be modified or withdrawn pursuant to the rules of the relevant law concerning the order and the Contract as well the Announcement. Submitted and approved Instant Transfer Orders cannot be modified or cancelled. If the Account Holder wants to modify or withdraw an order previously approved by him/her, he/she shall send a written statement of it by the time specified in the Announcement with regard to the given order. Once the Bank has carried out the order and confirmed the execution thereof, the Order cannot be modified or withdrawn.

3.1.7. If the Bank Transfer Order of the Account Holder has been forwarded within the framework of GIRO instant payments or GIRO intra-day multiple settlements, and - in the event of an internal Transfer Order, if it has been credited on the beneficiary's account - i.e. the Bank has carried out the Transfer Order - the Account Holder may submit a withdrawal order — in accordance with the terms specified in the Contract and the Announcement — to request the Bank to engage with the GIRO clearing house to have the given amount returned by the payment service provider managing the beneficiary's account and – in the event of an internal Transfer Order – by the beneficiary account holder.

3.1.8. The Account Holder understands that if the bank Transfer Order requested to be withdrawn has already been credited on the current account of the beneficiary, the withdrawal order may only be completed upon the written consent of the beneficiary. If the beneficiary fails to consent to such a transaction, or expressly rejects it, the Bank shall not be held liable for any losses of the Account Holder incurred as a result thereof.

- 3.1.9. The Account Holder shall be liable for any losses incurred by the Bank and other cooperating payments service providers resulting from the inadequacy, incorrectness, or incompleteness of the orders or data supplied by the Account Holder.
- 3.1.10. The Bank shall only be obliged to execute Orders if the required funds are freely available on the Account in question. The Bank shall not execute Orders in part, except in the cases when it is obliged to do so by law. Instant Transfer Orders cannot be executed in part. If there are no sufficient funds on the Account Holder's account, the Bank shall record and suspend only those orders in the case of which it is legally required to do so. In this case the Bank shall be entitled to refuse any other Order. Instant Transfer Orders that cannot be executed due to the absence of sufficient funds shall not be held pending by the Bank but they shall be rejected immediately, and the Account Holder shall be simultaneously informed of the rejection.
- 3.1.11. The Bank shall notify the Account Holder of unexecuted orders in writing and/or electronically. In the event of Instant Transfer Orders, such notification shall take place via the same channel in which the Order had been submitted.
- 3.1.12. When communicating through a phone-based channel other than the telephone service line called 'K&H Telecenter', the Bank shall not disclose any information deemed to be bank secret to neither the Account Holder nor any third party.
- 3.1.13. The Bank shall not verify the accuracy of any data or instructions in payment order fields intended for the beneficiary that do not affect the rights and obligations of the Bank or that are not to be verified by the Bank.

3.2. Payment in cash

- 3.2.1. Cash deposits and cash withdrawals may be made at the Bank's designated branches as per the terms set out in the Announcement, both in HUF and in foreign currencies.
- 3.2.2. **Special terms and conditions applicable to large cash deposits and cash withdrawals, currency conversions and denomination exchanges**
- 3.2.2.1. The deposit or withdrawal of amounts equalling or exceeding the HUF amount established in the Announcement in or the foreign currency equivalent thereof, performed on the same banking day by the same client within the framework of one or more cash-desk transactions, shall be considered to represent a cash deposit or cash withdrawal involving a large amount.
- 3.2.2.2. The Bank shall not accept cash deposits in excess of the HUF amount established in the Announcement in or the FCY equivalent thereof, and shall not execute any orders for cash withdrawal above that amount.
- 3.2.2.3. The Bank must be notified about large cash deposits and cash withdrawals (i) by the Account Holder in person, (ii) on the standard form used by the Bank for this purpose, (iii) with the Account Holder duly placing his/her signature on such form as registered with the Bank, (iv) at least 2 banking days prior to the planned date of the order, (v) at any of the Bank's branches.
- 3.2.2.4. The Bank shall only accept notifications relating to large cash withdrawals if the funds serving as coverage for payment (also including the fees charged in connection with such payment, as published in the Announcement) are available on the Account Holder's Account at the time when such notification is made. The Bank shall block the funds serving as coverage for the cash withdrawal transaction on the Account Holder's

Account until payment is either executed or rejected by the Bank.

- 3.2.2.5. The Account Holder acknowledges that it is the Bank's exclusive right to approve cash deposits and cash withdrawals within 2 Banking Days from being notified thereof, to determine the time of executing the Order, and to specify the bank branch or branches where the transaction is to be executed. The Bank's permission shall only be valid for the date and time specified on the approval document, and only for the bank branch(s) identified therein. The Bank shall notify the applicant at his/her contact address given on the standard form of the Bank used for this purpose.
- 3.2.2.6. The above rules shall be applicable to cash withdrawals under the HUF amount established in the Announcement or the FCY equivalent thereof but above any specific HUF amounts or the FCY equivalents thereof as individually announced by the bank branches.
- 3.2.2.7. The provisions applicable to large cash deposits and withdrawals shall govern and be appropriately applied to currency conversion transactions and forint currency denomination exchange transactions that reach this limit (including the exchange of forint currency in circulation for newly issued currency of the same denomination, and the exchange of damaged, incomplete or soiled forint currency for currency of the same denomination that is fit for circulation).

3.2.3. If a bankcard has been issued for the Account, then cash deposit or withdrawal can also be performed by means of such card, as per the relevant general contracting terms and conditions.

3.3. Internal transfer

In respect of movements between the Account Holder's various Accounts with the Bank, including sole trader and retail Accounts as well, prompt, forward and standing internal transfer orders can be given for HUF amounts and prompt internal transfer orders can be given for foreign exchange amounts. Orders where there is at least an overlap between the Account Holders of the Accounts to be debited and credited respectively shall also be considered internal transfers. The rules concerning Instant Transfer Orders shall be governing for internal transfers as well.

3.4. Bank transfers

The Bank shall accept HUF and FX transfer orders to the benefit of the Account, and credit those to the Account. To debit the Account, prompt, forward dated and standing orders can be issued for HUF amounts, and prompt and forward dated orders for foreign currency amounts, with the conditions set out in the Announcement.

For security reasons the Bank shall always be entitled to request confirmation by telephone from the person initiating a transfer of funds in order to ascertain whether the transfer was indeed requested the Account Holder. In such phone calls the Bank shall be entitled to ask verification questions of its own choosing. If – based on the verification by telephone – it is to be assumed that it is not the party entitled to dispose over the Account that has given the order, the Bank shall be entitled to refuse to execute the given order or suspend the order until the related circumstances are clarified.

Transfers of funds by court order and orders to transfer funds shall be executed by the Bank in accordance with the relevant laws, especially the Act No LXXXV of 2009 on Providing Payments Services.

3.4.1. Conditions applicable to transfers in HUF

The Bank provides the opportunity to its Clients to have their HUF transfer orders placed on the relevant form accepted by a bank official, subject to the fulfilment of the conditions described below.

The Bank shall not accept paper-based transfer orders submitted via mail or by other deliverers if the payment amount exceeds HUF 3.6 million. Paper-based orders exceeding this amount shall be accepted only if submitted personally at the Branch by a person having right of disposal of the account. The Bank shall not be liable for any delay or damage arising from the rejection of a transfer order not meeting the above criteria.

In the event of individual domestic HUF Transfer Orders for maximum HUF 10 million submitted by a person having right of disposal over the account managed in HUF by way of the Electronic Banking Service specified in the Announcement via an electronic channel that allows execution without human intervention and includes no crediting day after the day of receipt by the Bank, the Bank shall make sure that the Order shall be sent to the GIRO instant settlement system in a way that will allow the Order amount to be credited on the account of the beneficiary's payment service provider - in the event of an internal Order, on the beneficiary's account - within 5 (five), but within 20 (twenty) seconds at the latest, reckoned from the receipt of the Order. (Instant Transfer Order). The Bank shall receive and credit internal Orders and Orders arriving from the GIRO instant payment system up to the limit specified in the Announcement.

The Bank shall forward – within 5 (five) seconds at the latest reckoned from the receipt of the Instant Transfer Order – the data content of the Order to the beneficiary's payment service provider. If in the course of executing the Order more data related to the payment transaction going beyond the Order's data content have also been provided, the Bank shall forward these data – provided by a person holding no right of disposal over the account – as well, along with the Order's full data content, to all other payment service providers participating in the execution of the payment transaction.

If the Order is not executed in 20 seconds reckoned from the receipt of the Instant Payment Order for any reasons whatsoever, the Bank shall immediately notify the Account Holder to that effect, and shall specify the reason for the rejection.

The receipt of an Instant Payment Order shall be the time at which the Order arrived at the Bank and has been verified by it. In the event of Instant Transfer Orders, the Bank shall also record and store – in addition to the data of the Order – the time of the Order's receipt, detailed as year, month, day, hour, second and millisecond.

Persons having right of disposal over the account may also submit Instant Transfer Orders to the Bank in which the beneficiary's name and payment account number are replaced by the Secondary Account Identifier assigned to the beneficiary's payment account in the Central Database managed by GIRO and by the type of the Identifier. The Bank shall execute the Order in favour of the payment account associated with the Secondary Identifier in the Central Database at the time of the submission of the Order. The Bank shall not be liable for any losses ensuing from the change of the account associated with the Secondary Identifier in the interim, or from the execution of erroneously initiated Transfer Orders due to a deficient understanding of the account.

In the event that an Instant Transfer Order is submitted with the beneficiary's Secondary Account Identifier, the Bank shall indicate this Secondary Identifier as the beneficiary's data on the account



statement. In the event of the arrival of a credit item bearing the beneficiary's Secondary Identifier, the Bank shall also indicate on the account statement the Secondary Identifier specified originally.

Pursuant to the Terms and Conditions of Business and if not otherwise provided for by legislation or a regulation by the National Bank of Hungary (MNB), the Bank shall execute its tasks ensuing from Instant Transfer Orders – also including affixing the value date to the debit or credit items associated with the payment transaction amount - continuously, i.e. 24 hours on every calendar day. In justified cases, the Bank may restrict the submission of Instant HUF Transfer Orders for a maximum period of 24 hours as a recess for maintenance works and do so once each calendar year, provided that it notifies its Account Holders in advance.

In the event of Instant Transfer Orders, the Bank shall execute debit and credit transactions with the value date on which the debiting of the Account Holder's account and the crediting of the beneficiary's account actually take place.

The domestic payments settlement service operated by GIRO Zrt within the framework of the GIRO system for instant payments is performed through multiple daytime settlements or overnight settlements.

GIRO Instant Settlements means all Instant Transfer Orders executed in HUF via the domestic GIRO system that are credited on the beneficiary's payment account managed by another Payment Service Provider within 5 (five) but maximum 20 (twenty) seconds from the Order's receipt.

Multiple daytime GIRO settlement is referred to as the totality of orders run through the GIRO system, which are credited on the account of the beneficiary on the same day as the day of the receiving of the order, observing the deadlines specified in the Order of Performance of the current Announcement of the Bank.

Overnight GIRO settlement is referred to as the totality of orders run through the GIRO system, which are credited on the account of the beneficiary on the banking day after the receiving of the order, observing the deadlines specified in the Order of Performance of the current Announcement of the Bank, and on the second banking day after the receiving of the transfer order in case of payments service providers indirectly connected to the GIRO system.

As a member of the Real Time Gross Settlement system (hereinafter referred to as RTGS), the Bank undertakes to launch and accept the payment orders of the Account Holder through the RTGS system in accordance with the terms of the relevant Announcement.

3.4.2. Conditions applicable to foreign exchange and international transfers

The Bank shall credit incoming FX payments to beneficiary's Account in accordance with the standard inter-bank notices received from its correspondent banks. The Bank reserves the right to only credit the amount on the beneficiary's Account, once it has confirmed that the relevant funds have been received by the Bank. If the funds specified therein fail to reach the Bank, the Bank shall be entitled to debit the Account of the relevant Account Holder with the amount previously credited thereto.

The Bank shall not accept FX transfer orders submitted via mail or by other deliverers. The Banks shall not be liable for any delay or damage arising from the rejection of a transfer order submitted in



any of the above ways.

In the case of bank transfer orders made out in USD, the particulars of the beneficiary must be complete (exact name and address), and an additional identification number must also be specified (personal identification document number) for any natural person beneficiaries. The transfer order must carry the exact legal title under which the transfer is made (the relevant service must be specified). The transfer order may not feature any abbreviations or acronyms. In the interest of compliance with and the enforcement of the international financial restrictive measures in force, foreign financial institutions involved in the performance of bank transfer orders made out in USD may request additional data and documents from the person from whom the transfer originates. The Bank shall always inform the Account Holder of any additional information requirements that may be applied to the Account Holder, and request that the Account Holder make the relevant data, documents available to the Bank. The Bank shall not be held liable for any losses incurred as a result of the failure of any of the foreign financial institutions involved in the performance of a transfer order made out in USD to perform a transfer order on account of the risk of breaching any of the financial restriction measures, anti-money laundering and terrorism financing measures of the UN, EU and the United States.

3.5. Direct debit

3.5.1. Authorizations can be given for the settlement of service (utilities) fees by means of direct debit, charged to the HUF bank account defined in the Announcement.

If the relevant authorization specifies a maximum amount (limit) of performance, the Bank will execute direct debit orders up to that limit amount, which will be deemed known and reasonably expected under the given circumstances by the Account Holder

If the relevant authorization does not specify a maximum amount (limit) of performance, the Bank will look into the reasonable nature of the value of the direct debit order executed and its knowledge by the Account Holder on an individual basis. The value of the direct debit order executed shall qualify as reasonable, in particular but not exclusively, if the value executed in the given month has not exceeded the highest monthly value collected under the authorisation in the preceding 13 months; or (ii) it is considered to be known that in the 5 working days preceding the date of execution the Account Holder used e-bank and did not block the execution of the direct debit order.

It is only with the written consent of the obligor Account Holder that the Bank will notify the party entitled of the maximum amount (limit) of performance under the authorization.

The Bank reserves the right to define the suppliers to the advantage of which it will not receive any authorization for direct debit or any direct debit orders.

In case of universal succession (e.g. transformation) of the Beneficiary occurring during the effective period of a collection order placed by the Account Holder, the Bank shall be entitled to perform the order under the same terms and conditions to the successor Company.

The Bank reserves the right to accept a new Consumer ID of the Account Holder at the Beneficiary's request with regard to authorizations related to the Beneficiary, without requesting new authorizations, and to perform collection orders accordingly.

3.5.2. In an instruction for group collection, the Bank shall undertake no liability for the correctness of the data specified in the field *"Consumer's (or contract) ID with the beneficiary"*.



The invoices sent by the service provider shall be settled on the basis of the billing information supplied by the service provider. The Bank shall not undertake to evaluate the correctness of such fees. Any related complaints are to be filed with the service provider concerned.

In respect of the date for performing orders the billing procedures applied by service providers, as well as the Bank's processing routines shall be taken into consideration. In settling service fees, the Bank shall perform no partial payments (i.e. will not transfer a fraction of the amount charged). The Account Holder shall be informed of each order performed or not performed by means of the regular account statement issued once a month. This document shall serve as proof of the settlement of the fees in question.

- 3.5.3. Orders for collection, submitted on the basis of a letter of authorization, may be submitted to the benefit of the bank account, or performed to the debit of the bank account. The Bank shall make a partial payment according to the Collection Order based on the letter of authorization up to the available balance of the account. If the relevant funds are not available, the Bank shall perform any FCY orders — either paid fully or partially — in one sum once the item is no longer queued.

If there are not enough funds on the account, the Bank shall comply with the effective legal regulations and shall put in the queue the transfer orders of authorities and court decisions ordering transfers as well as the collection orders based on letters of authorization, if the letter contains such a stipulation, and shall record the items in the currency of the account which is affected by the queue.

The Bank shall put in the queue the uncovered Collection orders in compliance with the effective legal regulations after the orders subject to mandatory queuing and its own claims.

- 3.5.4. The Bank performs a collection order if the payment service providers of the beneficiary and the obligor Account Holders perform their payment services in the territory of Hungary. The Bank does not accept and execute SEPA payment orders.
- 3.5.5. If the authorization for collection orders includes a maximum amount (limit) of performance, the Bank will execute a collection order based on it only up to the limit. The Bank shall look into the reasonable nature of the value of the executed collection order and its knowledge by the Account Holder on an individual basis, in view of the conditions set out in the authorisation.

4. REFUNDING, BANK'S ERROR, REQUEST FOR CORRECTION

Refunding

- 4.1. In case of direct debit orders and collection orders based on authorization, the Bank grants the right of refund as per the Payment Services Act (henceforth jointly referred to as the Order), subject to the following conditions. The request for refunding is to be submitted on a form of the Bank at the bank branches. The Bank will consider the request for refunding to have been submitted if all the documents certifying compliance with the conditions are attached. The Account Holder shall be entitled to submit a refund request to the Bank by the 56th day following the date of debiting the amount requested to be refunded.
- 4.2. The obligor Account Holder shall submit **the following statements and** authentic documents to prove that all the **conditions** are met:
- (i) statement by the Account Holder that the obligor Account Holder did not recognize the amount of the Order before the execution thereof and was in no position to know of it,
 - (ii) the amount **of the payment transaction specified in the request for refunding** was higher than the amount **reasonably expected under the given circumstances by the Account Holder,**
 - (iii) statement by the Account Holder that the amount requested to be refunded has not been refunded or offset **or compensated yet by the beneficiary.**

- 4.3. The Bank will take the decision concerning the complete submitted refund request within 10 workdays, in the course of which it shall be entitled to request for the submission of other documents or information and investigate all the circumstances of the case. Based on a positively assessed request, the Bank will credit the total amount of the Order „requested to be refunded to the Account Holder's Account on the 10th workday at the latest. The value date of crediting the amount of the Order requested to be refunded shall be the refunding date. If the Bank refuses the refunding request as a result of the assessment, it shall notify the Account Holder of this in writing.

Bank's error, request for correction

- 4.4. With regard to any correction of a banking error or mistake, the Bank shall be entitled to debit any of the Account Holder's accounts held with the Bank, exercising its setoff right based on point 10.10. to carry out the Account Holder's instruction.

The Account Holder may comment on their account statement or request the correction of their unapproved or approved but incorrectly executed orders within thirteen months from the execution date of the order in question in writing or via the TeleCenter, specifying the item in question and the value deemed correct. Such requests shall not affect the Account Holder's payment obligation to the Bank arising from the account statement in question until their contents are proven.

5. DAMAGES

- 5.1. In the event of unapproved Orders the bank shall make the requested correction immediately following the investigation of the relevant request, but no later than by the end of the following working day, except if the Bank suspects fraud, in which case it shall inform its supervisory authority, i.e. the National Bank of Hungary. The Bank shall return the amount of the unapproved Order to the Account and reinstates the Account as it was prior to the debit transaction. It shall also pay any direct damages substantiated with sufficient evidence by the Account Holder and recognised by the Bank. The Bank shall not be liable if the Account Holder initiated the unapproved Order through a payments provider offering such services.

- 5.2. The Bank shall be liable for the incorrect execution of the Account Holder's transfer order initiated by the Account Holder directly at the Bank, unless the amount has already been received by the payments provider of the beneficiary, in which case the payments provider of the beneficiary shall be liable for the amount in question. Whenever the Bank is liable, it will refund all the amount of the order not executed or incorrectly executed to the Account Holder. The value date of the credit transaction on the Account Holder's account shall be the date on which the Bank charged the amount of the incorrectly executed Order to the Account.

If the amount of the order initiated to the advantage of the Account Holder is received at the Bank, then the Bank shall be liable for the incorrect execution thereof. Whenever the Bank is liable, it will promptly credit the amount of the incorrectly executed order to the Account Holder's Account. The value date of the credit transaction shall be the date on which the Order was meant to be executed correctly.

Irrespective of its liability, the Bank shall provide the generally required help in the given situation to enable the incorrectly executed order to be traced and recovered and informs the Account Holder about this. If the Bank cannot retrieve the amount in question, the Bank shall, if requested by the Account Holder in writing, provide all relevant information to the Account Holder required so that the Account Holder can take the necessary legal actions for the retrieval of the same.

- 5.3. When executing the collection order of the entitled Account Holder, the Bank shall be responsible for forwarding the order and crediting the received amount to the Account of the Account Holder.

- 5.4. If a collection order submitted against the obligor Account Holder is executed incorrectly, the Bank will promptly refund all the amount of the incorrectly executed order to the Account Holder, and restore his/her Account to its previous position as if the incorrect performance had not been effected at all.

6. INTEREST, CHARGES, FEES AND COMMISSIONS

6.1. Interest

- 6.1.1. In the case of bank accounts and deposit accounts with variable interest, the Bank shall accrue deposit interest at the rate specified in the Announcement and applicable to the given date, calculated after the closing credit balance of the Account on the given day. Such interest shall be credited to the Account with the frequency specified in the Announcement. The Bank shall credit the interest on the last workday of each interest period (or the next workday if this is a bank holiday), with the value date of the day following the given period. The Bank shall accrue interest from the first calendar day of the given period (or the day of account opening) to the last calendar day of the given period (or the day before the closing of the account). The amount deposited on the Account shall bear interest from its day of placement up to one day before it is withdrawn.
- 6.1.2. In the event of tiered interest accrual, the portion of the balance on the Account that falls into the given interest tier shall bear interest at the rate applicable to the tier concerned.
- 6.1.3. In the event of "threshold" based interest accrual, the entire amount deposited on the Account shall bear interest at the rate applicable to the given tier.
- 6.1.4. Should the Account Holder fail to meet his/her payment obligations (including interest payments) in due time, then default interest shall also become payable on such debt for the duration of default, at the rate and with the frequency specified in the relevant Announcement. The Bank shall charge such default interest falling due on the last day of each given period (or on the next workday if this should fall on a bank holiday), value dated for the day following the given period.
- 6.1.5. Interest shall be calculated according to the following formula:

$$\frac{\text{amount} \times \text{interest rate} \times \text{number of days in default/deposit}}{365 \times 100}$$

6.1.6. Interest tax

Pursuant to the provisions of the prevailing act on personal income tax (hereinafter referred to as Personal Income Tax Act), the Bank shall deduct interest tax from income received by its private individual clients under the title of interest, subject to the tax status of the client in question. In the event that an Account has more than one holder, the tax status of the person specified as Account Holder in the document that created the Joint Account in question shall be taken into consideration in respect of the deduction of interest tax, without examining the tax status of the person specified as Co-Account Holder.

6.2. Charges, fees and commissions

- 6.2.1. In exchange for account management, money movements and other auxiliary services related to account management, the Bank shall charge commissions, fees and other charges, at the rates, with the calculation manner, settlement period and the conditions stipulated in the Announcement displayed in its branches.

The Bank shall debit the Account with such fees, commissions and charges as per the provisions of the Announcement, upon the occurrence of the events serving as the basis of charging, or on a

monthly basis for certain services, or in a retroactive manner in each quarter, as part of the end-of-month closing procedure.

The Bank shall calculate commissions and fees and charge them to the Account Holder in accordance with the Announcement.

The Bank shall charge the Account Holder for the costs it incurred (especially including mailing, courier, telephone, SWIFT, photocopy and other similar costs) as well as for re-billed commissions and charges as per the applicable legislation, especially including the fees and commissions charged by the foreign bank(s) taking part in the administration of an FX transfer transaction.

6.2.2. In the event of transactions in different currencies, the Bank shall apply the exchange rate specified in the Announcement. The exchange rate is the buying and selling (conversion) rate officially quoted daily (possibly several times a day subject to market circumstances) and from time to time published by the Bank in dailies and via the Bank's electronic channels with regard to the Hungarian Forint and a given foreign exchange/currency. The exchange rate applied by the Bank shall be classified as the reference exchange rate as per the Act No LXXXV of 2009 on Providing Payments Services. The Bank shall apply the exchange rate of the processing date of the Account Holder's order. For the applied exchange rates and the basis thereof, see the currently effective Announcement.

6.2.3. In the case of using several services specified in the Announcement, the Bank shall provide discounts. In the event that a package of services contains a discount depending on the monthly number of transactions performed, then in this respect a period of one month shall be considered to last until the last working day of the subject month with the new period starting on the next day. In the event that the discount depends on the monthly number of transactions, such discount shall be granted in respect of the transactions performed in the given month. The booking of cash withdrawal transactions performed with bankcards depends on the deadlines applied by the international card companies and other credit institutions eventually participating in the settlement of accounts, which are usually executed within 4 (four) working days of the day of the execution of the transaction by the Client. Due to such circumstances beyond its sphere of influence, the Bank shall undertake no responsibility whatsoever for booking a given transaction in the same month as it actually occurred, or for ensuring that the transaction is booked within the requested throughput time specified above. The detailed rules of booking transactions performed with bankcards are set out in the Bank's relevant General Contracting Terms and Conditions.

7. ACCOUNT STATEMENTS

7.1. In the event that a credit or debit is made to the account, the Bank shall send a bank account statement containing the activity and balance of the Account each month, within 15 days after the account statement is generated, to the Account Holder, to the mailing address provided by the Account Holder for the purpose of receiving the Bank's account statements. A mailing address shall be required if the Account Holder does not want to have the statement sent to his or her permanent address (the mailing address cannot be the Account Holder's permanent address or the address of the Bank/branch). In the absence of a mailing address the Bank shall send the account statement to the Account Holder's permanent address. If delivery to the mailing address provided by the Account Holder is unsuccessful, the Bank reserves the right to send the account statement to the Account Holder's permanent residence address or the mailing address specified on the client data confirmation sheet (client data sheet). The 5th day of the month following the subject month or, should this fall on a bank holiday, the last working day preceding it shall be considered the closing date and the generation date of the monthly bank account statement. At the Co-Account Holder's request, the Bank provides the Co-Account Holder with a paper-based monthly account statement free of charge on one occasion only.

- 7.2. If the Account Holder uses the Bank's e-bank service, he receives all the account statements electronically. The Account Holder through his instruction given in the Bank e-bank service may request account statements also in hard copies at any time. At the request of the Account Holder, the Bank shall also release the monthly account statement to the Account Holder on paper – in the form of a combined account statement if there are several accounts – once a month free of charge. In terms of deadlines, for the monthly account statements sent through the E-bank service the 10th day of the subsequent month shall be deemed the date of postage
- 7.3. Beyond the above, the Account Holder using the Bank's e-bank service accepts that the Bank shall send him the last monthly account statement on paper once a year, without the Client's specific request to this end, if the Client did not log in the e-bank application at all during the previous calendar year and if the Bank did not provide account statement on paper to the Account Holder during this period. The Account Holder may request the Bank to issue a statement of his/her orders executed before the date of his/her relevant written request, as defined in the Announcement. The Bank will deliver such a statement to the Account Holder maximum ninety (90) calendar days following the receipt of the Account Holder's request by the Bank. A precondition for this Service of the Bank – with respect to the provisions set forth in Section 7.2 - is that the Account Holder (the former Account Holder) shall previously pay the Bank's costs related to the service.
- 7.4. The Bank shall draw up a Fee Statement for the Account Holder once a year, with the content stipulated by the applicable legislation, including all fees incurred by the Account Holder as a result of using the services related to their payment account, and if applicable, also including the interests applied to the payment account. The Fee Statement covers one calendar year, the year starting on January 1 and ending on December 31. The Bank shall make the Fee Statement available to the Account Holder by January 31 of the next calendar year. The Bank shall forward the Fee Statement to the Account Holder electronically, - delivered via the e-bank or into the Account Holder's e-box – or on paper, if the Account Holder so requests. Paper-based Fee Statements are delivered free of charge once a year, while every other Fee Statement set out on paper at the Account Holder's request shall be subject to the fee charged for account statements as specified in the Announcement.

Fee Statements shall be set out in Hungarian. If the language of the account statement – at the Account Holder's request – is English, the language of the Fee Statement shall likewise be English as well. In compliance with the applicable legislation, the Bank shall provide its Account Holders with a Fee Statement as of January 31, 2020 for the first time, covering the period from August 1, 2019 to December 31, 2019.

8. PROVISIONS APPLICABLE TO SPECIAL ACCOUNTS

8.1. Trambulin accounts and youngster account packages

- 8.1.1. Trambulin accounts and K&H youngster account packages offer certain benefits and special conditions to young people in the age groups indicated in the Announcement. The Trambulin account- and K&H youngster account packages related benefits offered to different age groups are described in the Bank's relevant Announcement.
- 8.1.2. The holders of Trambulin accounts for young people under 14 are their authorized representatives, with the minor as beneficiary. The holders of Trambulin accounts K&H youngster account packages and youngster saving deposit accounts opened after July 22, 2004 are the minors under 14, while their legal representatives (parent, trustee, guardian) act on their behalf, and the latter are also exclusively authorized to conclude the agreement on the minor's behalf.

- 8.1.3. No co-ownership arrangement is available on Trambulin accounts and K&H youngster account packages held by minors.
- 8.1.4. K&H youngster savings deposit accounts and K&H Trambulin "Osztálykassza" (Class Safe Box) accounts are deposit accounts that can be opened independently from any other account and subject to the conditions specified in the Announcement. A single Account Holder may hold only one K&H youngster savings deposit accounts or one K&H Trambulin "Osztálykassza". Pay-ins to these savings accounts can arrive in the form of cash deposits and bank transfers (credits) with one-time or regular bank transfers to a non-K&H or K&H bank account. No direct debit orders can be given.
- 8.1.5. When fulfilling orders regarding bank account held by minor Bank considers that the statement of the legal representative concerning the asset of a minor exceeding the amount specified in the law is valid only with the approval of the Guardian Authority.
- 8.1.6. The name of the K&H youngster savings deposit account was K&H Trambulin savings deposit account before April 18, 2017.

8.2. K&H "Seasons" (Évszakok) June, December savings accounts, and K&H Seasons March, September savings accounts

- 8.2.1. The K&H **Seasons June, December** and the K&H **Seasons March, September** savings accounts(hereinafter: Seasons savings accounts)are deposit accounts that can be opened independently from any other account and subject to the conditions specified in the Announcement. A single Account Holder may hold only one **Seasons June, December savings account** and one **Seasons March, September savings account**. Pay-ins to the **Seasons savings accounts** can arrive in the form of cash deposits and bank transfers (credits).
- 8.2.2. Pay-outs from the **Seasons savings accounts** can, at any time, be made in the form of cash withdrawals and one-time or regular bank transfers to a non-K&H or K&H bank account. No deposits can be fixed from **Seasons savings accounts**, and no direct debit orders can be given either.
- 8.2.3. With respect to **Seasons savings accounts**, the Bank pays premium interest over and beyond the monthly due base interest – provided that the conditions of premium interest payment are fulfilled – at the end of the first premium interest period, and twice a year thereafter.

8.3. K&H Planner Saving Account (until July 3, 2015 "Biztos" ("Safe") Reserve Account, before May 4, 2009 K&H savings deposit account)

- 8.3.1. A planner saving account is a deposit account which may be opened separately and independently of other Accounts, with the terms and conditions specified in the Announcement. Every Account Holder may only have one planner saving account.

Both deposits and transfers can be made to a planner saving account.

- 8.3.2. The planner saving account may be debited twice a month, free of any interest loss, in the form of cash withdrawal or deposit placement, or single or standing internal transfer or transfer order to another Account maintained by the Bank or outside of the Bank.

Should the number of debits on a planner saving account be higher than two in any given calendar month (with the exception of debiting through placing a term deposit), or the balance of the planner saving account falls short of the minimum amount specified in the Announcement on any single day in the given calendar month, the Bank shall accrue interest in the given month at the rate applicable to sight deposits as per the Announcement.

8.3.3. Should the planner saving account be debited in any given calendar month with the amount specified in the Announcement (except accrual of interest and maturing deposit amounts) and if there are no debit transactions performed on the account (except being debited with the amount of a term deposit), and provided that the account balance reaches the minimum balance specified in the Announcement for each day of the given calendar month, the Bank shall pay premium interest on the account balance for that month at the rate specified in the Announcement.

8.4. K&H long-term deposit account:

8.4.1. A long-term deposit account (hereinafter: long-term deposit account) is an account managed in compliance with the provisions of the Personal Income Tax Act and the applicable Announcement.

8.4.2. Pursuant to the provisions and subject to the conditions of the PIT Act, the proceeds of the funds placed and fixed in the long-term deposit account are classified as long-term investment income and are governed by the special rules of the PIT Act. The proceeds of the funds fixed on a long-term deposit account are the amount due to the Account Holder at the time of termination or interruption of the account over and above the amount placed in the account.

8.4.3. The Bank reports to the tax authority the data of the long-term deposit account, including especially the income earned on the funds placed in the account, the date of long-term fixing, and the date of termination or interruption of the fixing period.

8.4.4. A long-term deposit account may be opened by natural persons holding Hungarian tax registration numbers, irrespective of age, once in a calendar year. There may be only one account holder for each long-term deposit account.

8.4.5. Pursuant to the PIT Act, all the amounts recorded as fixed on a long-term deposit account can be transferred to another long-term deposit account that is kept with another credit institution and is identical with the terminated account, without the interruption of the fixing (fixing transfer). When a fixing transfer occurs, the long-term deposit account kept with the remitting credit institution shall be terminated.

9. AUXILIARY SERVICES LINKED TO THE ACCOUNT

9.1. Overdraft facility

At the Account Holder's request the Bank may provide an Overdraft Facility, following individual assessment, linked to a bank account defined in the Announcement, in the currency of the Account. The conditions and interest calculation method applicable to the Overdraft Facility are contained in the relevant contracting terms and conditions.

9.2. Bankcard

The Account Holder may be provided bankcard services linked to the Account under the terms set out in the relevant Announcement and the GCTC of Bankcard and Credit Card Services.

9.3. TeleCenter services

The Account Holder may be provided bankcard services linked to his/her Account, as per the conditions stipulated in the corresponding Announcement, on the basis of a separate contract.

9.4. Mobilinfo services

The Account Holder shall have the right to use the Bank's Mobilinfo services linked to the account under the terms set out in the Announcement and in compliance with the relevant general contracting terms and conditions of K&H mobilinfo services. Using this service, information can be requested about the balance



of a bank account and other products used by the Account Holder and defined as such in the Bank's Mobilinfo Announcement, as well as the transactions performed with these, and general topics related to banking, by means of a short text message (SMS) sent to a mobile phone number.

9.5. e-bank services

The Account Holder may be given access to an Internet banking platform and e-banking services linked to the Account, as per the provisions of the Announcement, on the basis of a separate contract and in line with the relevant General Contracting Terms and Conditions.

9.6. Term deposits

The Bank shall accept orders for term deposits of the terms and with the conditions specified in the relevant Announcement. Term deposits may be placed from a bank account or deposit account, in the currency of those accounts. Contract terms applicable to a term deposit are identical with contract terms applicable to the account under which the term deposit was placed.

A deposit may be placed for a single period or renewed regularly. In the event of a renewable term deposit, the Bank shall repeatedly renew the deposit upon maturity (roll-over date) under the terms applicable to the given deposit type and deposit term, amount tier and currency on the start date of the new placement.

One-off term deposits and interest thereon are credited to the same bank or deposit account, the balance of which was used for the funding of the deposit. Interest on revolving deposits is, upon the maturity of the deposit (rollover date), either credited to the same bank account or deposit account where the funding for the deposit was available, or capitalised on maturity, whichever of the two the client may prefer.

Interest payment terms and conditions applicable in the case of a release or termination shall be governed by the Announcement which was effective at the time when the term deposit was placed. A term deposit may not be released in part before the maturity of such term deposit; it can be terminated only in full.

The maturity date of a term deposit shall in each case be a banking day. If the original maturity/rollover date calculated with the term specified in the Announcement, following the date when the deposit was placed should fall on a bank holiday, then the first workday following such bank holiday shall be considered as the date of maturity.

Term deposits shall bear fixed or variable interest. In the event of fixed interest, the interest conditions applicable at the time of placing the deposit shall not change over the term of the deposit (provided that the amount deposited remains the same). In the case of variable interest, the interest on the deposit shall be determined with respect to a reference rate (e.g. inflation, MNB base rate), and shall change in line with the changes in the reference rate during the term of the deposit.

The Bank shall accrue interest on term deposits in one lump sum upon maturity, or at the time when the deposit is terminated. The amount deposited for a fixed term shall accrue interest from the start date of up to the date of maturity or the day before the amount is disbursed to the client.

Any of the Account Holders and the standing proxy holder shall be entitled to place new deposit amounts from the bank account, deposit account and the technical account for placing term deposits. All the proxy holders and Account Holders of an Account shall have the right of disposal over term deposits created on the given Account by any of the Account Holders or standing proxy holders, in a manner identical to their respective rights in respect of the Account concerned.

In respect of term deposits placed after May 15, 2009 the Bank shall treat as the mailing address that mailing address which is specified on the client data confirmation sheet (client data sheet), or in the absence of such document, the Account Holder's permanent address. For deposits created before that date, any new mailing address can be specified strictly on the client data confirmation sheet.

9.7. Secondary Account Identifiers

The Bank shall assign (i) mobile telephone numbers including a country code referring to an EEA member state as a geographical area, (ii) e-mail addresses and (iii) tax identifiers or tax numbers issued by state tax and customs authorities as Secondary Identifiers to the payment accounts specified in the Announcement and charge a fee for this service. (Secondary Account Identifier). Secondary Account Identifiers are used for the unambiguous identification of the Account during the execution of Orders. One Account may have more than one Secondary Account Identifiers, but Secondary Account Identifiers may only be used to identify payment accounts managed in Hungary. The Central Database is used for the storage of Secondary Account Identifiers and includes the Account Holder's name and the IBAN identifier of the account in question (Central Database). It is operated by GIRO Zrt.

The Bank shall accept the statement of Secondary Account Identifiers only if the Stating Party – concurrently with making the statement – verifies that they are entitled to disposing over the data to be stated and if the Account Holder consents to the transfer of personal information to the Central Database and to the data's transfer from the Central Database into the payment system. In the event of a jointly held account, the consent shall also mean allowing the Co-Account Holder to be informed of the Secondary Identifier. Secondary Identifiers may be stated or cancelled by Account Holders in a bank branch or via an electronic channel specified in the Announcement, while Parties acting on behalf of Account Holders may only state or cancel Secondary Account Identifiers in bank branches. If the Party entitled to make a statement on a Secondary Identifier wishes to state a Secondary Account Identifier other than their own or the Account Holder's tax identifier or tax number found on the Bank's records, the statement can only take place in a bank branch, accompanied by the concurrent submission of a notarised consent – with the content required by the Bank - by the natural person, legal entity or unincorporated entity entitled to dispose over the Secondary Account Identifier.

Following the successful verification of the Party's entitlement to assigning a Secondary Account Identifier to the account concerned, the Bank shall forward the data specified by the regulation of the National Bank of Hungary (MNB) to the Central Database. If the central database completes the assignment, the Bank shall inform the Account Holder thereof based on the confirmation received.

If according to the data of the Central Database the Secondary Account Identifier intended to be assigned to the account had already been assigned to a different payment account, the Secondary Account Identifier shall be deleted from the earlier account as a result of the new statement. The Secondary Identifier assigned to the account shall lose its effect and shall be deleted from the Central Database if (i) it is cancelled by a Party entitled to make a statement, (ii) is later assigned to another payment account managed in Hungary or (iii) if it is not confirmed by midnight (0 o'clock) on the day a year after the statement day. The Bank shall inform the Account Holder of the cancellation by a different financial service provider of a Secondary Account Identifier assigned to an account managed by the Bank following the receipt of a notification from the Central Database. The termination of the account also means the deletion of the Secondary Account Identifier assigned to the account from the Central Database. In such an event, the Bank shall send no separate notification about the deletion of the Secondary Account Identifier.

The Bank shall notify the Account Holder of the forthcoming expiry of the validity of the Secondary Account Identifier and of the possibility to confirm it 30 (thirty) days prior to the expiry of a period of one year



reckoned from the statement of the Secondary Account Identifier. Only the Parties entitled to assign a Secondary Account Identifier to the account shall be entitled to make a statement concerning the extension of the Secondary Account Identifier's validity.

Insurance

The Account Holders of Accounts so defined in the Announcement shall be provided insurance coverage, pursuant to an insurance contract concluded between the Bank and K&H Biztosító Zrt. (1095 Budapest, Lechner Ödön fasor 9). Such coverage shall be applicable to the events of natural death, death by accident, as well as full and definitive disability caused by accident. The insurance coverage shall not be extended to the Co-Account Holder. By signing the Account Agreement, the Account Holder, in his/her capacity as the insured party, shall give his/her consent for the Bank to take out for him/her a collective life insurance policy including supplementary accident risk, with K&H Biztosító Zrt. Furthermore, by placing his/her signature, the Account Holder accepts the provision that the Bank shall be the beneficiary of services provided in the event of death up to the extent of the Account Holder's debt related to the Account, while for the remaining portion, the person of the beneficiary shall be the same as the one specified by the Account Holder for the event of his/her decease, or in the lack of such person the heir. The conditions of the insurance shall be included in the insurance regulation available at the Bank's branches. The volume of insurance coverage, as well as other relevant information about the insurance shall be contained in the Announcement available at branches. In respect of the insurance policy, the Account Holder shall exempt the health care institutions and physicians involved in health care services provided to him/her from their secrecy obligations, and shall authorize them to supply the insurer with the required information for the purposes of claims settlement.

9.7.1. The insured person's insurance coverage shall terminate on the date when the Account is closed.

9.7.2. Insurance damage claims shall be filed with the Bank's branches.

10. OTHER PROVISIONS

10.1. The Account Holder shall, over the term of validity of the Account Agreement, inform the Bank in person or in writing about any change occurring in the data supplied by him/her, within 5 days of the date when the change occurred/the Account Holder gained information of the change. The Bank shall not accept liability for any damage caused through the Account Holder's failure to do so.

10.2. The Bank reserves the right to apply non-standard assessment, at variance with the contents of the relevant Announcement and these GCTC, in the case of certain transactions, in accordance with its business policies and subject to its own discretion.

10.3. The Bank shall expressly reserve and the Client shall acknowledge the right to supplement the provisions of the GCTC whenever new or improved services are introduced, and to unilaterally amend the provisions of the GCTC in force and the terms and conditions set out in the Announcement to reflect any changes in the legislation applicable or relevant to the activities and the operating conditions of the Bank; in the rulings of the Central Bank of Hungary or any other regulations binding on the Bank, the Central Bank base rate or any other Central Bank interest rates; in the opportunities for fundraising in money markets and the costs thereof; in other prime costs of the Bank, the consumer price index or state interest subsidies; in taxes and contributions, the reserve requirements or the procedures or operating processes of the Bank, and in the risk associated with a service or the Client.

Should the Bank modify the provisions of its effective General Contracting Terms and Conditions and/or relevant Announcement to the detriment of the Account Holder, it shall be obliged to display such amended General Contracting Terms and Conditions and/or Announcement in its branches, publish them on its website 2 months before the modification is to take effect and notify the Account Holder of this on paper



or on durable data medium. Any change of the interest bearing of the savings deposit account shall be subject to the above conditions inasmuch as the previous notification period is 15 days.

Should the Account Holder not agree with such a modification, they shall have the right to terminate the contract within 15 days of the publication of the new terms, or else the modification will take effect and become applicable to the Account Holder.

If the Account Holder does not accept such a modification, he/she shall have the right to terminate the contract free of any fee, charge or any other payment obligation until the modification enters into force, otherwise the modification will be binding on the Account Holder.

The Bank shall be entitled to modify the exchange rate without the above notification and with immediate effect.

- 10.4. Unless the nature of the service or the relevant contract requires otherwise, the Account Agreement shall be concluded for an indefinite time.

The Account Agreement may be terminated:

- by mutual consent,
- by ordinary or extraordinary termination,
- by the termination of the Framework Agreement,
- upon the death of the Account Holder, on the day when the Bank is officially informed on the death, except in the case of a Joint Account, where the provisions set forth in Section 2.4.3 shall apply.

- 10.5. The Bank shall have the right to terminate the Account Agreement by ordinary termination with 2 months' notice, without giving any reason. The Account Holder shall also have the right to terminate the Account Agreement with an immediate effect in writing any time, without giving any reason, by making a written statement to the Bank. In the event of a negative account balance (debt), the Account Holder shall be required to settle all his or her debts to the Bank in full before the Account Agreement is terminated.

If an Account Agreement in place for less than six months is terminated by the Account Holder, the Bank shall be entitled to the fee specified in the Announcement.

- 10.6. Should the Account Holder gravely breach any of the obligations set out in the contract, or fail to settle the Bank's claims as included in a written warning, by the deadline specified in that warning, then the Bank shall have the right to terminate the Account Agreement by extraordinary termination with immediate effect, stop the bankcards linked to the Account, and charge default interest at the rate specified in the Announcement, until such time when the debt is fully repaid.

Furthermore, the Bank shall also have the right to terminate the Account Agreement with immediate effect if the Account Holder fails to meet his or her co-operation and information obligations stipulated by law (especially with reference to the Civil Code and the regulations concerning money laundering), as well as upon the occurrence of circumstances beyond the Bank's control as a result of which the Bank may not reasonably be expected to continue a contractual relationship, or through which the Bank's business interest should in any other way be injured.

Should the Account Holder become in breach of any contract concluded with the Bank or any member of the K&H Bank Group, this shall also be considered as a grave breach of contract from the perspective of the Account Agreement, and may entail the termination of the Account Agreement with immediate effect.

- 10.7. The termination of the agreement shall also mean the termination of other contracts linked to the Account, as well as the discontinuation of all the services associated with the Account.
- 10.8. Upon the termination of the Account Agreement for any reason whatsoever, all payables based on the Account shall fall due and the parties shall effect settlement where the Bank shall be entitled to the amount

payable for the Service actually provided. The parties shall settle their debts to each other within 8 days following the date of settlement, and proceed as per the terms of the Bankcard Contract, if such had been concluded. If the Account Holder (or, if the Account Agreement is terminated due to the Account Holder's death, his or her heir, who must first present official proof of legal status) gives no instructions concerning the positive balance of their Account after the termination of the Contract, the Bank shall manage and keep it for a maximum of five (5) years according to the rules applicable to the administration of accounts in the absence of instructions (*negotiorum gestio*) or, in the case of Agreements terminated before 14 March 2014, according to the rules of responsible custody. Such balances shall earn no interest but they shall be subject to the banking fees and charges prescribed in the effective Announcement.

- 10.9. If the delivery of the account statement to the address indicated by the Account Holder is not successful for 180 days, the Bank – for security reasons – shall be entitled to promptly refuse to provide the Service for the Account Holder without exercising its right to terminate the Contract.
- 10.10. The Bank shall have the right to set off its claims against any of the Account Holder's Accounts maintained by the Bank, in order to settle the Account Holder's debts to the Bank outstanding under any legal title, at the time when these claims fall due, as well as to set off the same against the Account Holder's claims towards the Bank, outstanding on the basis of any of his/her other Accounts.
- 10.11. The Bank represents that the Account Holder's funds on the Account shall at all times be insured by the National Deposit Insurance Fund (hereinafter: OBA), as per the applicable provisions of law. From the perspective of the compensation to be paid by OBA, the amounts placed on any of the Account Holder's Accounts maintained with the Bank shall be considered as an aggregate sum. Pursuant to the Credit Institutions Act OBA shall pay compensation to the eligible Account Holders in HUF, up to a maximum amount of EUR 100,000, calculated at the official FCY exchange rate published by the Central Bank of Hungary on the day specified in the legal statute.
- 10.12. When an event eligible for compensation occurs, the Bank is entitled to set off its receivable from the Account Holder that has become overdue prior to the time of the compensation against the Account Holder's claim arising from the insured deposit. The amount of compensation due and payable to the Account Holder will be reduced by the amount set off in this way
- 10.13. The insurance provided by OBA shall not cover the deposits of
- a) government agencies financed by the central budget,
 - b) local municipalities,
 - c) insurance companies, reinsurers, voluntary mutual insurance and private pension funds,
 - d) investment funds, investment fund managers,
 - e) the Pension Insurance Fund and the organisations responsible for its management, and the body responsible for the administration of pension insurance,
 - f) appropriated government funds,
 - g) financial and payment institutions,
 - h) the Central Bank of Hungary,
 - i) investment enterprises, Stock Exchange members and Commodity Exchange service providers,
 - j) mandatory or voluntary deposit insurance funds, institution protection funds, investor protection funds, and the Guarantee Fund of Funds,
- or by the foreign equivalents of those listed above.

Contrary to points a) and b), the insurance provided by OBA shall cover the deposits of local governments and central budgetary organs established by a local government if – according to the figures of its annual

report for the year that is two years prior to the subject year – the budget of the local government does not exceed EUR 500,000.

The insurance provided by OBA shall not cover deposits with respect to which a court has established in a final ruling that the amount deposited arises from money laundering, and neither shall it cover the credit institution's regulatory capital and the debt securities issued by the credit institution or promissory notes. Following the termination of the credit institution's membership OBA shall not pay damages for deposits covered by deposit insurance provided in another country.

10.14. The Parties do not specify any special body for settling legal disputes out of court but try to settle disputes pacifically, within the scope of which they are also entitled to initiate an agreement by involving an expert or another reconciliatory body to be selected jointly by both Parties.

If the pacific settlement is not successful, the Account Holder can lodge his/her complaint to the Hungarian National Bank, the competent reconciliatory body or court in accordance with the relevant laws.

10.15. These General Contracting Terms and Conditions were written in Hungarian and in English, but in the case of any discrepancy the Hungarian version shall prevail.