

“announcement for corporate clients” - amendment

Publishing date: June 30, 2023

K&H Bank Zrt. hereby informs its clients that, due to the reason(s) and as of the date(s) specified below, it is amending its announcement titled “Announcement for corporate clients” (hereinafter: **Announcement**) as detailed herein. The provisions of the Announcement not affected by this amendment shall remain in effect as they are.

Reason(s) for this amendment:

The corporate announcement will change as of **1 September 2023** for the following reasons:

In accordance with the provisions set out in Section 3.3.1 of the GCTC on payment and deposit services provided for corporate clients, the Bank amends this Announcement as follows:

- Due to a change in legislation, the maximum limit for instant HUF transfer orders has been increased.
- The cut-off time for the provision of cover for out-of-bank HUF transfers has been clarified.

Provision(s) to be amended:

Appendix 2

K&H Bank Zrt.’s announcement of the deadlines for the submission of orders and the order of execution thereof

FOR CORPORATE CLIENTS

EFFECTIVE FROM SEPTEMBER 1, 2023

Submitting an order:

- **Instant HUF transfer orders** are accepted **and executed** 24 hours a day on every day of the year. Transfer orders may be submitted using the Electra, K&H e-bank for businesses or K&H Mobilbank services.
- **Other payment orders:** For the purpose of the following, ‘T Day’ is always to be considered as a ‘business day of the Bank’. If the order is submitted on a holiday, it will be executed on the next business day of the Bank.

Value-dated orders submitted in advance will *be received and* performed on the value date indicated in the order. In the case of standing orders performance occurs on the value dates specified in the order. The value date of the order can only be a bank business day. If the value date given in advance (value-dated or standing orders) is a holiday, the order will be submitted and performed on the Bank’s business day following the value date indicated.

Orders may be submitted using the services of Electra, Corporate e-Bank, Mobilbank or SWIFT.

The Bank will effect domestic HUF transfer orders by taking into account the provisions of the General Contracting Terms and Conditions for Payment and Deposit Services for Corporate Clients and those of Sections 2., 4.4., and 4.5., in particular.

The GIRO domestic payment clearing system performs clearing

1. The Bank executes instant HUF credit transfers in the GIRO instant payments system and guarantees that the amount to be credited is delivered to the beneficiary’s payments service provider within 5, but not more than 20, seconds. An instant HUF credit transfer is defined as a one-off HUF transfer order with same-day value date launched from a HUF payment account via corporate e-bank, the mobile bank or the Electra system, where the total amount does not exceed **HUF 40 20 million** and the order does not involve batch payment. Up to a value limit of **HUF 40 20 million**, the Bank also executes one-off same-day batched payment transactions in the instant payments system, as long as, at the time of submitting the order, the Client indicates that they wish to have the transaction processed in the instant payment system. Such batched transactions are executed by the Bank in the instant payments system ensuring that within 4 hours of their receipt, the items are credited to the beneficiary’s payment service provider. In line with the legal regulations governing payment services, the Bank forwards the submitted batched HUF payments in a way that ensures that the expectation that each second a single order is sent for each beneficiary bank is fulfilled.
2. K&H Bank will use the GIRO Multiple Intraday Settlements Process for effecting the following outgoing orders:
 - same-day electronic ad hoc domestic HUF transfer orders exceeding **HUF 40 20 million** in value, from a HUF account,
 - electronic deferred domestic HUF transfer orders from HUF account,
 - batched domestic HUF transfer orders submitted electronically, if they do not meet the conditions of instant HUF payments, or, if although they meet such conditions, the customer has requested that they are not executed in the instant payment system.
 - urgent or same-day or forward one-off domestic HUF transfer orders launched from a FCY account and submitted electronically;

- paper-based same-day or forward one-off domestic HUF transfer orders launched from a HUF account and submitted at a branch ~~(including orders submitted via a Telefax message)~~;
- paper-based same-day or forward one-off domestic HUF transfer orders launched from a FCY account and submitted at a branch ~~(including orders submitted via a Telefax message)~~;
- direct debit orders;
- standing orders.

The Bank will effect domestic HUF transfer orders which do not require any conversion between currencies and are submitted electronically or over the phone before the final deadline via the GIRO Multiple Intraday Settlements Process, by ensuring that credit items should reach the Payments Service Provider of the Beneficiary Client within 4 hours of receiving the order. The practice of settlement within 4 hours will not be applicable to paper-based orders and orders requiring conversion.

3. K&H Bank will use the GIRO overnight settlement process for effecting the following outgoing orders:

- collections, authority payments and warrant payments;
- direct debits.

In case of Payments Service Providers indirectly connected to the GIRO system, the period required for making the credit under a payment order will be lengthened by one day for transfers effected via the overnight settlement process and by two hours for transfers effected via the Multiple Intraday Settlements Process.

Debit orders will be effected only when sufficient cover is available in the account.

- **In the case of an instant HUF transfer**, the necessary funds must be available at the time when the order is received, otherwise the Bank rejects the order. The Bank ensures that instant HUF transfer orders are received 24 hours a day on every day of the year.
- In case of **other orders**:
 - In the case of HUF payment orders executed intra-bank or via GIRO overnight clearing, the required funds may be made available on the HUF accounts until 6.00 p.m. on the day of the debit, while in the case of a HUF transfer order executed via GIRO intraday multiple clearing **and via the VIBER until 4:45 p.m by the submission deadline.**
 - After the submission deadline – with the exception of instant transfer orders – the Bank only time-stamps the HUF payment orders (specified in Section 1.1 of this Annex 2, and processes them and verifies the availability of funds upon opening on the next banking day (i.e. from 05.45 in the morning).
 - In case of foreign currency transfer orders, sufficient cover must be provided, at the time of submitting an order, for the transaction and its fee (in an amount as specified in the Announcement). In case of a foreign currency or HUF transfer with conversion, the available balance required for the transaction and the related fee is checked upon the start of processing, at the foreign currency mid-rate I of day T. If the available account balance is insufficient, the transaction order is rejected even when the balance would be sufficient at the foreign currency rate II.

1. Payments in Forint (only with regard to Forint accounts)

1.1. Amounts debited – intrabank book transfers and transfers, collection order

Type of orders and submission deadlines (hour, minute)	During the business hours of the bank branch	K&H Corporate e-bank K&H Mobilbank	Electra	SWIFT	Received / Debited to the Client's account	Credited to the Beneficiary's account
	hand over personally		24 hours every day			
Instant HUF transfers						
Instant HUF transfer (book transfers, intra-bank and interbank transfers in the GIRO instant clearing system)	-	24 hours a day on every day of the year		-	5 seconds from receipt	
Batched transaction order with scheduled execution (for batched transactions requested to be executed in the GIRO instant payments system)	-	24 hours a day on every day of the year		-	within 4 hours of receipt	
Other orders						
Intrabank book transfers	16:00	18:00	18:00	18:00	T day	
Intrabank transfers	16:00	18:00	16:30	18:00	T day	
Intrabank collection order, authority payment, warrant payment ²	-	-	-	-	T day	
one-off transfer via the GIRO Multiple Intraday Settlement Process	13:00	16:30	16:30	16:30	T day	
standing orders via the GIRO Multiple Intraday Settlement Process	On the due date as per the frequency specified in the standing order				É day	
transfer via the VIBER ¹ system of domestic payments	from Monday to Thursday: 15:30 on Friday: 14:30	16:30	16:30	16:30	T day (within 2 hours of the received)	
collection order, authority payment, warrant payment via the GIRO Overnight Settlement Process ²	-	-	-	-	T day	T+1 day
postal payment order ³	-	electronic (not CD): 10:00	electronic (not CD): 10:00	-	T day	
direct credit (intrabank and via the GIRO Multiple Intraday Settlement Process) ⁴	-	16:30	16:30	-	T day	
direct debit	-	17:00	17:00	-	T day	

Ad hoc paper-based orders can be submitted for maximum the 90th calendar day following the submission day, while electronically started ad hoc orders can be submitted for max. the 365th calendar day following the submission day.

¹ The Bank reserves the right to evaluate transfers of above HUF 50 mln on a case-by-case basis and to refuse the given transfer depending on the situation on the HUF money market.

² In case of partial repayments, the minimum instalment is HUF 1000. In case of any FCY collection with conversion, the Bank will use the mid FX rate I. of T day for checking whether sufficient cover is available for the transaction and its fees. In case of authority payments and in other cases specified by laws, when a conversion between foreign currencies is required for orders to be effected in foreign currency, the conversion will be effected immediately by using the FX rate I. effective at the time of processing.

³ Value-dated orders can be submitted electronically maximum 10 calendar days before the performance.

⁴ Value-dated orders can be electronically submitted 14 calendar days before the performance at the latest.

1.2. Amounts credited - transfers

Type of amounts credited	Credited to the Bank's account	Credited to the Beneficiary's account
Intrabank		
– instant HUF transfer (max HUF 40 20 million)	-	24 hours a day on every day of the year, within 5 seconds of receipt
– other orders	-	T day, immediately after debiting the payer's account
Instant GIRO HUF transfer (max HUF 40 20 million)	The amount is credited to the Bank's account at MNB-and GIRO notifies the Bank thereof in a message – 24 hours a day on every day of the year	24 hours a day on every day of the year, immediately after processing the GIRO message
Transfers via the GIRO Overnight Settlement Process	The account of K&H Bank with the National Bank of Hungary is credited and K&H Bank is notified of that fact by GIRO – T Day	T day , immediately after processing the GIRO notification
Transfers via the GIRO Multiple Intraday Settlements Process (in 10 settlement cycles during the business hours of K&H Bank)		
Transfer via the VIBER system of domestic payments	Credited to the Bank's account held with the NBH, which notifies the Bank of this - T day	T Day , within 2 hours of the receipt of the notification of the NBH

1.3. Depositing cash, cash withdrawal

Type of orders and submission deadlines	Bank branch	Order processed (credited, debited to the Client's account)
During the business hours of the bank branch		
Depositing cash, cash withdrawal	During the business hours of the bank branch	T day

Bulk bag cash payments are subject to the provisions of a special agreement by and between the Client and the Bank.

2. Payments performed in foreign currency and international forint payments with conversion

In order to comply with the sanctions imposed as a result of the Russian-Ukrainian conflict, the Bank will not accept or execute transfer orders to Russia submitted by the client. The amount of orders received from Russia will be credited to the customer's payment account only if the required fund has been received by the Bank and the execution of embargo investigations allows it. Due to the sanctioning situation, the embargo investigation may take longer than usual.

2.1. Amounts debited – intrabank book transfers and transfers

Type of orders and submission deadlines (hour, minute)	hand over personally during the business hours of the bank branch	Electronic	Received / Debited to the Client's account	Credited to the Beneficiary's account */ Credited to the nostro account of the Beneficiary's bank at the earliest **	Exchange rate
		24 hours every day			
Intrabank book transfers and transfers	10:00	16:00		T day *	FX I
to securities client account without conversion	during the business hours of the bank branch	17:00		T day *	-
Interbank domestic HUF transfer, to a non-K&H account (within/outside EEA)	-	14:00	T day	T+1 day **	FX II
	10:00	-	T day	T+2 day **	FX II
Urgent transfer ¹	-	14:00		T day ¹ **	FX I

Foreign currency transfer orders via the K&H Corporate e-bank and K&H Mobilbank cannot be made in the currency of Romania (RON), Turkey (TRY), and Russia (RUB). Foreign currency orders via paper based cannot be made in the currency of Russia (RUB).

¹ Urgent foreign currency and urgent HUF transfer from FX account orders can only be given via the Electra electronic systems or Corporate e-bank. Urgent foreign currency transfer orders can only be given in HUF, CAD, EUR, or USD.

2.2. Amounts credited – transfer

Amounts credited	performance	Credited to the Beneficiary's account (É Day = with nostro / vostro value date)	Exchange rate in case of conversion
Instant HUF transfer (max HUF 10 million)			the FX I exchange rate in force on the day the item is processed
intra-bank	24 hours a day on every day of the year	24 hours a day on every day of the year, within 5 seconds of receipt	
interbank		immediately after processing the GIRO message	
In EEA or in non-EEA currency	T nap ¹	É day	

¹ Orders submitted after the deadline +1 day

2.3. Depositing cash, cash withdrawal

Type of orders and submission deadlines	Bank branch	Order processed (credited, debited to the Client's account)	With conversion (exchange rate)
Depositing cash	During the business hours of the bank branch	T day	FCY buy rate / FX I sell rate
Cash withdrawal		T day	FX I buy rate / FCY sell rate
Depositing HUF on FX account		T day	FCY sell rate
Withdrawing HUF from FX account		T day	FCY buy rate
Purchase of FCY with cash pay-out in HUF		T day	FCY buy rate
Selling FCY for cash in HUF		T day	FCY sell rate

3. Order processing

Description of order	During the business hours of the bank branch, hand over personally	Electronic	Received	Order processed
		24 hours every day		
Direct debit order submission, modification, termination	15:00	-	T day	T+4 day
	-	17:00	T day	T+1 day
Blocking the performance of direct debit	16:00	17:00	É-1 day	
Standing order submission ¹	During the business hours of the bank branch	17:00	T day	
Standing order modification, termination		17:00	É-1 day	
Collection order, authority payment ² – without attached document	14:00	14:00	T day	
Collection order, authority payment ² – with an attached document	14:00	-	T day	T+2 day
Warrant payment ³ date of postal receipt / delivery – T day	14:00	-	T day	
Refund claim	14:00	-	T day	T+9 day
Giving a letter of authorization for collection; modification or cancellation thereof	15:00	-	T day	T+5 day

Type of order	Opening hours	Deposits	Crediting to bank account	Delivery of protocol in the event of a discrepancy
Bulk cash deposit through an Automated Drop-box	7/ 24	Before 17.00 on working days	banking day T+1	Within 5 working days of processing
		After 17.00 on working days	banking day T+2	

Type of order	Deposit	Crediting of bank account	Minutes taken in case of discrepancy
Bulk cash deposit Bulk cash deposit delivered by valuables carrier to the Central Vault (KKFÉ)	until 6:30 a.m. on bank business days	until 4:00 p.m. on T banking day	within 5 bank business days of processing

¹ The earliest value date (first/next date of performance) of processed order based performance is the bank business day following the day when the order was submitted.

² The Bank starts to process the order received at 8.00 a.m. on each banking day.

For any FCY-based collection order, sufficient funds must be provided to cover the transaction and its fees.

When bailiffs submit an authority payment order to K&H Bank as the Payments Service Provider of the paying party, they are required to submit also a copy of the following documents, each certified by a Public Notary (so that the Bank may check bailiff's entitlement to submitting authority payment orders): letter of assignment, document certifying personal identity, bailiff's license with photo, specimen signature card.

³ The Bank starts to process the order received at 8.00 a.m. on each banking day.

4. Applied rates

type of transaction	<i>applied exchange rate in case of transfers between own accounts, other transfers*</i>
FX payment order from HUF account	FX sell rate
Crediting FX payment on HUF account	FX buy rate
FX payment order from FX account	FX buy rate and FX buy rate / FX sell rate
Crediting FX payment on FX account	FX sell rate and FX buy rate / FX sell rate

* In case of transactions with conversion between different currencies the Bank applies buying and selling rates depending on the direction of the conversion. Applied rates (FX I / FX II) are published in the " Sequence of reception and execution customer orders"

5. CARD ACCOUNT TOP-UP ON ORDER FOR CARD COVERAGE ALLOCATION

Card accounts are topped up by the system every work day before K&H's branches open, based on the available balance on the connected corporate current account at the previous day's closing. The available balance means the sight balance of the corporate current account plus the overdraft line, minus any blocked amounts. The available balance is generated by the account management system daily, after K&H's branches are closed. The account to which a Széchenyi Card is linked may not be used for card coverage.

The **Order for card coverage allocation** document includes the general top-up rules, the priority order of card accounts and the combined top-up types.

Order submitted	Received	Processing of order
Paper (Order for card coverage allocation): Hand over personally during the business hours of the bank branch: until 4 p.m. on T Day after 4 p.m. on T Day	T Day T+1 Day	T Day T+1 Day

3.1 Available top-up types

Regular top-up types	Description
The currency indicated in the order shall always be identical with the currency of the current account and the card account.	
Allocation of fixed amount once a month The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate, on a specific day of each month, from available balance of the current account designated a fix amount to the card account specified. During the month the amount is unchangeable, the rest amount is available.
Daily top-up to a fixed amount if the balance falls below a specific limit The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate from the available balance of the current account a fixed amount to the card account on each occasion when the balance of this latter card account falls below a specific amount. If the balance of the coverage account is equal to or higher than the limit amount specified, the system does not perform booking, i.e. does not perform a write-back.
Daily top-up with a fixed amount at pre-defined intervals The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate from the available balance of the current account a fixed amount to the card account, each day within an optional interval (from-to day). At the end of the interval, the internally transferred but unused amount will remain on the card account, without being automatically written back.
Daily top-up to a fixed amount The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate from the available balance of the current account to the card account, the amount ensuring top-up to a specific amount each day. The system shall check the amount required for such allocation daily.
Top-up with a sum in excess of the designated fixed amount The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate from the available balance of the current to the card account only the sum beyond the fixed amount designated by Accountholder. A write-back is not performed to the current account based on this order.
Ad-hoc top-up on a designated day	Description
Ad-hoc top-up of the card account – promptly order type	Based on this top-up type the Bank to allocate from the available balance of the current account to the card account a fixed sum on the designated day. The allocation takes effect from the business day after it has been recorded, unless the date of the order coincides with the date of the top-up, as in such a case the allocation takes place promptly.
Ad-hoc write-back from the card account - promptly order type	Based on this top-up type the Bank to write back, from the available balance of the card account to the current account a fixed sum on the designated day. The write-back becomes effective from the business day after it has been recorded, unless the date of the order coincides with the date of the top-up, as in such a case the allocation takes place promptly.
Allocation up to a fixed amount once a month The allocation takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to allocate on a specific day of each month, from the available balance of the current account to the card account, an amount that is necessary to reach a predefined amount to be available on the account. The system does not change the allocated amount during the month, so the available amount is the one remaining after any withdrawals or transactions.
Cancellation of top-up orders	Description
Cancellation of top-up orders The cancellation order takes effect from the business day after it has been recorded.	Based on this top-up type the Bank to cancel any or all previously recorded card coverage orders related to the card account.