

# “announcement for corporate clients” - amendment

**Publishing date: December 31, 2020**

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.

The corporate announcement will change as of **1 March 2021** for the following reasons:

regulation changes related to denomination exchange and replacement of Forint banknotes and Forint coins, and these services carried out by Hungarian Postal Service in branches with automated cash management.

**Provision(s) to be amended:**

## **IV. REGULATIONS CONCERNING GENERAL TRANSACTIONS, ACCOUNTS**

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- If the total FX amount requested by the client with an FX account cannot be disbursed in cash at the Bank's tills (small or fractional amount), the Bank shall disburse the HUF equivalent of the remaining FX amount at the FX medium rate quoted on the current day and effective on the execution date of the transaction.
- In the case of conversion between two currencies, the remaining amount shall be paid out in HUF converted at the FCY mid-rate.
- If the client wishes to conduct a cash withdrawal transaction at the Bank's tills in an amount exceeding the limits displayed in the client reception area; she/he may communicate her/his intention either in the branch, in person, or via K&H TeleCenter, 2 banking days prior to the planned withdrawal. If the client wishes to make an instantaneous withdrawal in excess of the limit defined, or prior to the notification deadline, she/he will be charged an instantaneous till withdrawal fee, which will not affect any other fees or charges set out in the Announcement.
- The Bank only accepts FX coins of EUR 1 and 2 denominations and disburse cash only in FX coins of these denominations.
- Bank only accepts English Pound (GBP) bank notes issued in England, Northern Ireland, and Scotland.
- The Bank shall only guarantee withdrawals in various currencies, irrespectively of the amount involved, if the client communicates her/his intention to withdraw such currency amount at least two banking days prior to serving the client. Branches shall make spontaneous currency cash payments until cash stock last.
- Should in case of HUF cash in the number of banknotes be over 1.000 and the coins over 500 the Bank shall automatically apply the fees of “Large volume cash deposit” of Announcement. Should in case of foreign currency payment the number of banknotes exceed 500 the Bank shall automatically apply the fees of “Large volume cash deposit” of Announcement. If the HUF amount deposited includes banknotes as well as coins, and the total number of coins or banknotes is higher than the predefined limit, the Bank will charge a bulk bag fee, as published in the Announcement, for both the coins and the banknotes.
- The cash deposit or cash withdrawal of amounts equalling or exceeding HUF 30 million or the FCY equivalent thereof - including exchange of foreign currencies and exchange of denominations - performed by the Client on the same Banking Day 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. In case of foreign currency transactions, the amount shall be converted for the purpose of this calculation at the foreign currency mid-rate I announced by the Bank on the day when the transaction is reported. The Bank shall not accept cash deposits in excess of HUF 70 million or the FCY equivalent thereof, and shall not execute any orders for cash withdrawals or exchange of foreign currencies or exchange of denominations above that large amount.

## Public

- A discount fee is charged from the nominal value when accepting FCY coins, and under withdrawal from circulation FCY bank notes. Bank does not accept under withdrawal from circulation English Pound (GBP) and Swedish Krona (SEK) denomination FCY banknotes neither case of FCY change, nor FCY deposit.
- As the risk related to the service in currency change of FX deposit has been changed recently, K&H does not accept any dirty, damaged, defective FCY bank notes neither case of FCY change, nor FCY deposit.
- The Bank exchanges fit Forint banknotes and Forint coins to fit Forint banknotes and Forint coins of another denomination in the framework of denomination exchange, and it exchanges unfit ones which are still regarded as legal tender to fit Forint banknotes and Forint coins of the same denomination in the framework of replacement, if their authenticity and denomination can be clearly ascertained upon receipt on site. In both cases, exchange takes place at face value. The Bank charges the fee specified in the current Announcement for the denomination exchange. The denomination exchange is exclusively provided to Customers keeping a bank account or having any other banking product or service at the Bank in branches with teller during cash desk opening hours. **Branches with automated cash management outsource denomination exchange and note and coin replacement to the Hungarian Postal Service (Magyar Posta). The service is available at the post office nearest to the branch, as indicated in the Announcement available in the branch.**

Another precondition for exchanging a deficient Forint coin of the same or another denomination **or execute cash deposit to the account holder own payment account** is that more than half of the note has to be presented. The Bank will exchange denominations of, or replace deficient Forint banknotes consisting of several pieces – whether or not glued together – if it can be ascertained beyond doubt that the specific pieces are part of the same banknote and together they make up more than half of the Forint banknote.

The Bank will refuse to perform the denomination exchange or replacement if the authenticity or the face value of the HUF banknote or coin cannot be ascertained beyond doubt upon receipt, or the Forint coin has been mutilated (cut in half, perforated or machined).

If it cannot be clearly ascertained upon receipt whether or not the Forint banknote complies with the conditions of denomination exchange, the Bank will accept the Forint banknote or Forint coin for subsequent settlement and at the same time take a protocol of this circumstance. Intentionally mutilated Forint coins will not be taken over by the Bank for subsequent settlement. The Bank **in branches with teller, during cash desk opening hours executes free of charge the replacement transactions of difficult to recognise or damaged HUF coins and banknotes (exchange to fit forint banknote of the same denomination or fit forint coin of the same denomination or accept as a cash deposit transaction) in branches with teller, during cash desk opening hours.**

The Bank will charge the fee specified in the Announcement for the denomination exchange and replacement transactions. **Branches with automated cash management outsource denomination exchange and note and coin replacement to the Hungarian Postal Service (Magyar Posta). The service is available at the post office nearest to the branch, as indicated in the Announcement available in the branch. Such service carries the Postal Service's relevant fee.**

The Bank will take over from clients any deficient or damaged Forint banknote, the surface of which does not exceed 50% of the surface of the entire banknote free of charge in return for a receipt, then sends these to the National Bank of Hungary (NBH) for their withdrawal from circulation and destruction. The performance of the above activities by the Bank is not subject to the utilisation of other banking products.

- The Bank will replace Forint banknotes which are no longer deemed legal tenders and are withdrawn from circulation by the National Bank of Hungary (NBH), with fit Hungarian legal tenders of the same denomination, without any limitation or condition, free of charge, within 3 years reckoned from the date of their withdrawal. In the case of Forint coins replacement with fit Forint coins of the same denomination takes place within 1 year reckoned from the date of their withdrawal. The Bank executes the replacement of HUF banknotes and coins withdrawn from circulation within the above-defined **deadlines (and also cash deposit to the client's own payment account)** in branches with teller during cash desk opening hours. The Bank provides the replacement service of HUF banknotes withdrawn from circulation in cash-in ATMs as a cash deposit transaction, in the branches.
- The Bank will accept and withdraw suspected counterfeit banknotes and coins (Forint and currency) from circulation in return for a receipt without charging any fee and send those for further expert examination to the NBH.
- The above cash transactions shall be performed by the Bank **in branches with teller during cashier hours** in compliance with the relevant effective laws and regulations (19/2019 (05.13.) MNB decree on technical tasks related to banknotes processing, distributing and protect against counterfeiting and 20/2019 (05.13.) MNB decree on technical tasks related to bankcoins processing, distributing and protect against counterfeiting the Act CXXXIX of 2013 on the activities of NBH). The denomination exchange service is provided to clients holding a bank account with or using any other banking product or service by K&H Bank, except upon the partial exchange of a foreign currency amount. **~~To exchange old version 20.000 HUF banknotes for new version 20.000 HUF banknotes the Bank does not require to keep a bank account or to have any other banking product or service at the Bank.~~**

Budapest, December 31, 2020

K&H Bank Zrt.