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# General Terms and Conditions

Effective from: **7 October 2025**

**Reason for amending these General Terms and Conditions: Changes in the Bank's subsidiary structure have indicated changes regarding the list of subsidiaries and related definitions**

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## PREAMBLE

K&H Bank Zrt. is a credit institution registered in Hungary under Registration No. Cg. 01-10-041043 by the Municipality Court as Court of Registration, having its registered office at 1095 Budapest, Lechner Ödön fasor 9., tax number: 10195664-4-44 (hereinafter 'Bank'). The Bank has been authorised to provide financial and supplementary financial services activities since January 1, 1987 based on the authorisation of the legal predecessor of the National Bank of Hungary (hereinafter 'Supervisory Authority' or the National Bank) dated December 27, 1986; which deals with the scope of activities, currently in accordance with the business licence specified in the supervisory resolution No. 969/1997/F, dated November 26, 1997. The Bank shall be entitled to, in accordance with the relevant current legislation, pursue other business activities (hereinafter financial services, supplementary financial services and other business activities pursued by the Bank shall jointly be referred to as 'Services').

Due to the diversity and the large number of Services delivered by the Bank to clients, as well as in order to perform client orders submitted to the Bank in a timely and accurate manner, it is necessary to define general rules that are binding to both the Bank and clients in the delivery of all Services.

These General Terms and Conditions (hereinafter 'General Terms and Conditions') are designed to implement this objective, providing definite and clear grounds for the business relationship between the Bank and the client.

## 1. GENERAL PROVISIONS

### 1.1. THE SCOPE OF THE GENERAL TERMS AND CONDITIONS AND THE STRUCTURE AND ESTABLISHMENT OF CONTRACTS

- 1.1.1. The provisions of the General Terms and Conditions shall be applied to any and all legal relationships between the Bank and any natural person and incorporated legal entity, as well as any other organisation which is a client (hereinafter jointly 'Client'), where the Bank delivers or intends to deliver a Service to the Client and/or the Client uses or intends to use a Service of the Bank.
- 1.1.2. If the Contract defined below refers to a consumer or a Client who constitutes a consumer, that person shall be construed as a natural person acting outside his/her occupation, profession or business.
- 1.1.3. The General Terms and Conditions shall be applicable to any and all other business relationships in terms of which the Bank and its contractual party expressly agree in the application of the General Terms and Conditions.
- 1.1.4. The provisions of the General Terms and Conditions shall be deemed as contractual terms and conditions that are binding to both the Bank and the Client, without having to expressly approve them. The Bank and the Client may jointly agree, in writing and in compliance with the relevant current legislation, in terms and conditions different from the General Terms and Conditions (or any specified part thereof).
- 1.1.5. In addition to the General Terms and Conditions, the content of the legal relationship between the Bank and the Client shall be regulated primarily by the individual agreement for a specific type of Service (hereinafter 'Client Contract'), and the general contractual terms and conditions relevant to that Service (hereinafter 'GCTC'), as well as the Announcement forming the schedule of the 'GTC' (Section 2.7 of the General Terms and Conditions) (hereinafter 'Client Contract', 'GCTC', and 'General Terms and Conditions' shall be jointly referred to as 'Contract'), forming an inseparable cohesive unit. Should any deviation arise between the relevant provisions of the General Terms and Conditions and the respective GCTC, the provisions of the respective GCTC shall prevail. In case of any deviation between the relevant provisions of the respective GCTC and the Client Contract, the provisions of the Client Contract shall prevail.
- 1.1.6. If the Bank applies international treaties or codes (standards) with respect to any legal relationship, the provisions thereof shall prevail, and the provisions of the General Terms and Conditions shall be applicable only if such international treaties or codes (standards) do not include provisions to the opposite end.



- 1.1.7. If there are any issues in relation to the legal relationship between the Bank and the Client that are not regulated by any of the Contract's stipulations, those provisions of the prevailing legislation of Hungary shall apply which are relevant to the transaction at hand. These include, in particular, but not limited to, the Act on the Civil Code, and the Act on Credit Institutions and Financial Enterprises (hereinafter 'the Credit Institutions Act'), and the Act on loans provided to consumers (hereinafter: Consumer Loans Act).
- 1.1.8. The Bank concludes contracts for financial services and ancillary financial services in writing. An electronic document with an enhanced security electronic signature executed on an electronic device suitable for taking signatures, as well as a contract concluded on an identified electronic channel permitted by law shall be considered as a written contract. The Banks makes available to the Client copies of electronically concluded contracts and related electronic documents to be provided to the Client through its banking services using electronic identification on a dedicated interface.

## **1.2. PUBLICITY OF THE GENERAL TERMS AND CONDITIONS AND MODIFICATION OF THE CONTRACT'S COMPONENTS**

- 1.2.1. The General Terms and Conditions are publicly available and they are displayed by the Bank for the information of its Clients in a visible place on its premises open for Clients and they are also published on the Bank's website. The Bank shall make the General Terms and Conditions available to its Clients in printed form free of charge, upon request.
- 1.2.2. The Bank expressly reserves the right, and the Client acknowledges the Bank's right to supplement the provisions of the General Terms and Conditions whenever the Bank introduces a new or extended service, and to amend the provisions of the General Terms and Conditions unilaterally in response to, and in line with legislative changes applicable to or concerning the Bank's operation, operating conditions, changes in the National Bank's decisions or other regulations with binding effect to the Bank, changes in the Bank's procedures and/or operating processes, or services, or changes of risk with reference to the Client.
- 1.2.3. In the event that the Bank should modify its General Terms and Conditions to the detriment of the Client, it shall, at least 15 days – unless otherwise stipulated in the relevant GCTC – prior to its effective date publish such new terms in an Announcement posted on its premises open for client service, and simultaneously also on its website.
- 1.2.4. Should the Client refuse to accept the modification made available to him pursuant to section 1.2.3, the Client's Contract(s) with the Bank shall be deemed as terminated by the Client, either in accordance with the terms and conditions relevant to such Contract(s) or, in the lack of such terms and conditions, with a termination date identical to the effective date of the modification. In this case, the Bank and the Client shall, by the end of the notice period at the latest, settle finances, pay their debt in full and give instructions in relation to their claims. If the Client fails to object to the amendment in writing by the effective date thereof, the amendment shall be deemed as accepted by the Client.
- 1.2.5. The Bank shall notify its Clients of any modifications of its General Terms and Conditions, GCTC, or Announcements not unfavourable for the Client by posting such modifications in its branches, and publishing them on its website one working day prior to the effective date of such modifications.

## 2. GENERAL RULES OF BANKING RELATIONSHIPS

### 2.1. CLIENT IDENTIFICATION AND REPRESENTATION

- 2.1.1. In line with the stipulations of the Act on the Prevention and Combating of Money Laundering and Terrorist Financing (hereinafter 'Anti-Money-Laundering Act'), the Bank must identify the Client (the Client's representative and the persons having a right of disposal over the account). During this process, the Bank must request the presentation of certain ID documents (certificates) identified in the Pmt.
- 2.1.2. During the identification process, the Bank must request the presentation of the following documents (certificates) or authentic copies thereof:
- a) for natural persons
    - 1. for Hungarian natural persons: certificate of personal identity (ID card, passport or driving license issued after 1st January 2004) plus address card,
    - 2. for foreign natural persons travel documentation, personal ID document, provided that it authorises the holder to remain in Hungary, or a document certifying a valid right of residence or a residence permit,
  - b) for legal entities, other organisations and individual entrepreneurs: in addition to the presentation of documents stipulated in Section a) for all person(s) authorised to act on their behalf or based on their authorisation, documents that confirm the following:
    - 1. for domestic business organisations: that the organisation has been registered by the Court of Registration or an application for registration has been submitted; for the self employed: tax number or an application for registration has been authenticated by the tax authority,
    - 2. for domestic legal entities: if their foundation is subject to registration by any authority or court: that the registration has taken place,
    - 3. for foreign legal persons or entities: that the entity was registered according to the legislation of its home country;
  - c) prior to the submission of an application to be registered by the Court of Registration, an authority or court to the Court of Registration, authority or court, the Articles of Association (Deeds of Foundation) of the legal person or entity.
- 2.1.3. Based on Section 2.1.2. b), the Bank must request from the legal person or entity documents and/or certificates that are not older than 30 days.
- 2.1.4. The Bank is also obliged to make its Clients declare in writing, through a secure, protected, previously audited electronic communications device operated by the service provider, as determined by the National Bank of Hungary, whether in the course of their banking transactions they are acting in the interest and on behalf of themselves or another beneficial owner (natural person, legal entity, and organisation). The Bank is also obliged to ask the client to make a declaration as to whether the beneficial owner is a politically exposed person, or a close relative of a politically exposed person, or a person closely associated with a politically exposed person. If the beneficial owner is a politically exposed person, or a close relative of a politically exposed person, or a person closely associated with a politically exposed person, the declaration must state the point in Section 4 (2) -(4) of the Anti Money Laundering Act according to which they are considered to be a politically exposed person, or a close relative of a politically exposed person, or a person closely associated with a politically exposed person. In the case of a legal person Client, their declaration can be omitted based on a risk sensitivity approach, if the Bank records the above data on the basis of the documents presented to it, as well as publicly available records or registers, from the managers of which it may request data based on the law.
- 2.1.5. The Bank will take any further action as determined by the Supervisory Authority until it is satisfied as to the identity of the beneficial owner, including understanding the client's ownership and management



structure, and will request the Client to re-state the identity of the beneficial owner if there is any doubt as to the identity of the beneficial owner.

- 2.1.6. If, in the course of the business relationship, there are any changes in the details provided as part of the identification process or in terms of the identity of the beneficial owner, the Client shall inform the Bank of such changes within 5 working days of such changes becoming known to him.
- 2.1.7. In order to ensure safe banking relationships, the Bank shall perform a client identification before executing the orders of the Client and delivering any Service, and shall ascertain that the person(s) acting as representative(s) of the Client has/have the authorisation therefore. During client identification, the Bank shall inspect only those information and documents whose inspection is stipulated by the relevant legal and statutory regulations, and whose inspection, at the discretion of the Bank, is reasonable for ensuring a safe relationship between the Bank and the Client.
- 2.1.8. On the basis of a risk-sensitive approach, the Bank periodically reviews the data provided during the client identification process. The Bank may request from the Client any of the information or statements listed in Sections 2.1.2.2 to 2.1.5 when reviewing the Client's identification. If the Client fails to comply with the obligation to provide the data or declaration within the time limit set by the Bank, the Bank shall be entitled to refuse or suspend the provision of the Service or the execution of the order.
- 2.1.9. The Bank may fulfil all or part of its review obligation under Section 2.1.8 by requesting data from publicly authenticated records. The request for data does not relieve the Client from the obligation to notify the change under Section 2.1.6, nor from the obligation to cooperate in connection with the client identification review.
- 2.1.10. If there is a discrepancy between the data provided during the client identification process and the data available to the Bank as a result of the data query, the data provided during the client identification process may be overwritten by the Bank. The Client's prior consent is not required to overwrite the data.
- 2.1.11. Based on legal and/or statutory regulations (in particular, the current legislation on the prevention of money laundering) or at its own discretion, the Bank is entitled and obliged, if appropriate for any Service, to request the Client to duly verify further identification information, and to forward such information to the relevant authority(ies) in the cases specified by the relevant legal and statutory regulations. Should the Client fail to meet such request in a manner and by the date defined by the Bank, the Bank is entitled to reject or suspend the delivery of the given Service or the execution of the given order
- 2.1.12. The Client must furnish the Bank, in writing and in the form required by the Bank, with the name and specimen signature of the person(s) authorised or given authorisation to represent the Client. The Bank shall not accept any restriction on representation authority on an order-by-order basis or by amounts, unless there is an agreement between the Bank and the Client to this effect. If the Client is a legal person or other entity, disposal over the bank account shall be subject to the signature of two persons authorised to represent the organisation, unless otherwise stipulated by law or agreed upon by the Bank and the Client in the Contract. The Bank is entitled to request the Client to make a declaration in which the Client identifies which representatives and in what form are entitled to confirm the execution of cash withdrawals, transfers or other transactions exceeding a certain limit. In case of concluding a Contract for providing any Services, the Client's representative may only be a person who is authorised to sign for the company pursuant to the valid company registration document, or a person duly authorised thereby.
- 2.1.13. The Bank is entitled to deem the representatives and their specimen signatures furnished by the Client as valid and effective until the Bank receives a written and authentic notice on the withdrawal of such authorisation for representation from the Client. Should the document or order received from the Client bear the signature of an unauthorised person or a signature different from the specimen signature, the Bank shall return the order to the submitting entity with an appropriate explanation. If the representation authority of a person acting as a representative of the Client is unclear for any reason, the Bank shall refuse to execute the order of the Client, and/or shall temporarily suspend the delivery of the Service to the Client. The Bank shall not be liable for any damages arising from this.



- 2.1.14. If the Client does not conduct his affairs with the Bank in person or via a representative previously specified to the Bank, the person acting as a representative of the Client shall verify his/her representation authority with a notarial deed, a private deed having the full force of evidence or a letter of attorney.
- 2.1.15. The Client may deem as a representative of the Bank any person who is introduced as such to the Client by the head of the organisational unit pursuing financing, account management or any other banking activities, or by the appointee thereof. Any employee working on the Bank's premises open for client service shall be deemed as a representative of the Bank in terms of transactions usually carried out on those premises, unless otherwise stipulated by law or understood from the circumstances. Only persons authorised to sign for the company based on the Bank's official scheme of representation are entitled to make legal statement or to refuse to make such statements on behalf of the Bank, of which the Bank shall give a written confirmation to the Client upon request.
- 2.1.16. Pursuant to the Anti Money Laundering Act and the MNB Decree issued for its implementation, the Bank is entitled to perform the client's due diligence process with secure and protected, pre-audited electronic communications device operated by the Bank, as determined by the National Bank of Hungary.
- 2.1.17. For the purposes of this chapter, audited electronic systems used for the client's remote due diligence through an electronic data transmission channel, suitable for the making, the interpretation and the secure storage of the client's declaration, as well as for retrieval and control of the stored data shall be considered as audited electronic means of communication.
- 2.1.18. The Bank may carry out the client's due diligence through audited electronic means of communication in either a direct or indirect electronic manner.

#### **Direct electronic customer due diligence**

- 2.1.19. The Bank records all communication between the Bank and the Client during direct customer due diligence, the detailed information on the Client's direct customer due diligence and the Client's expressed consent to that in images and recordings in a retrievable way and makes it available to the Client upon request.
- 2.1.20. During a direct customer due diligence, the Bank requests the Client to
- a) look at the camera so that their face can be recognized and recorded,
  - b) to convey in an understandable manner the document identifier of the card format ID card used for direct customer due diligence, and
  - c) move the card format ID card used for direct customer due diligence in such a way as to identify and record the security elements and datasets that are on it.
- 2.1.21. The Bank will verify that the card format ID card used for direct customer due diligence is suitable for the direct customer due diligence procedure, thus
- a) certain elements of the ID card and their location correspond to the requirements of the issuing authority,
  - b) each security element, in particular the hologram, the kinegram, or other security features identical to it, are recognisable and free of damage,
  - c) the card format ID card has a field suitable for machine data reading,
  - d) the card format ID card's identification number matches the identification number provided by the Client, is recognisable and undamaged.
- 2.1.22. The Bank makes sure during direct customer due diligence that



- a) the Client's face is recognisable and identifiable according to the photo on the presented ID card, and
  - b) the data on the card format ID card can be logically matched to the customer's data available to the service provider.
- 2.1.23. The Bank compares the data of the card format ID card presented by the Client during direct customer due diligence with publicly accessible records or registers, from the manager of which it is entitled to request data by law.
- 2.1.24. The Bank shall send a centrally, randomly generated identification code i.e., an alphanumeric code, via SMS (text message) to a mobile phone number suitable for Client identification, to be returned to the Bank by the Client in the form of communication chosen by the Bank prior to the completion of direct customer due diligence.
- 2.1.25. During direct customer due diligence, the Bank provides the Client an opportunity to make a declaration on having the status of a politically exposed person, or a close relative of a politically exposed person, or a person closely associated with a politically exposed person and of beneficial owner as specified in the Anti Money Laundering Act.
- 2.1.26. The Bank interrupts direct customer due diligence if
- a) the Client withdraws their authorisation for the recoding of data during the direct customer due diligence,
  - b) the physical and data content requirements of the documents or documentation presented by the Client are not provided,
  - c) the visual identification conditions of the Client, the documents or documentation presented by the Client are not in place,
  - d) the Bank cannot make a voice and video recording,
  - e) the Customer does not return, or only partially or incorrectly returns, the identification code,
  - f) the Client does not make a declaration or makes it visibly under influence noticed by the Bank, or
  - g) any contradiction or uncertainty arises in relation to it during the proceedings.

#### **Indirect electronic customer due diligence**

- 2.1.27. The Bank records all communication between the Bank and the Client during indirect customer due diligence, the detailed information on the Client's indirect customer due diligence and the Client's expressed consent to that in images and recordings in a retrievable way and makes it available to the Client upon request.
- 2.1.28. The Bank shall carry out the indirect electronic due diligence through audited electronic means of communication using such a device that is suitable for
- a) ascertaining that the Client appearing at the remote location as the subject of the due diligence is a real, live person, uses the audited electronic means of communication in real-time, in-person and that the live picture is not manipulated, and
  - b) comparing the photo taken of the Client during the customer due diligence and the image included in the instrument used for the due diligence in such a way that it can be established, beyond reasonable doubt, that the person specified in the official personal identity certificate is the same as the person on the photo.
- 2.1.29. During an indirect customer due diligence, the Bank requests the Client to
- a) look at the camera so that their face can be recognized and recorded,



- b) move the card format ID card used for indirect customer due diligence in such a way as to identify and record the security elements and datasets that are on it.
- 2.1.30. The Bank may carry out the indirect electronic customer due diligence
- a) using the Central Authentication Agent (hereinafter: CAA, or 'KAÜ' in Hungarian) service specified in Government Decree 451/2016 (XII. 19.) on the Detailed Rules of Electronic Administration, or
  - b) by retrieving the authentic, natural identification data, suitable for the Client's identification, from the official personal identity certificate containing the electronic storage element.
- 2.1.31. The Bank shall perform the indirect electronic due diligence as specified under subsection b) of Section 2.1.27. if
- a) it retrieves – electronically through the audited means of communication – the authentic, natural identification data, suitable for the Client's identification and the photo taken of the Client by the authority that issued the official personal identity certificate, from the official personal identity certificate containing the electronic storage element presented by the Client, and compares them with the data provided by the Client and with the data and photo recorded during the identification, and
  - b) upon comparing the data and photos through the audited means of communication it can be established beyond reasonable doubt that the person in the official personal identity certificate is the same as the person on the photo taken during the due diligence by the audited means of communication, and that the official personal identity certificate was issued by the competent authority, and the data stored and retrieved electronically are unchanged and authentic.
- 2.1.32. The Bank shall ascertain that the card format ID card used for indirect customer due diligence is suitable for the execution of the indirect customer due diligence, and particularly
- a) that certain elements of the card format ID card and the position of those comply with the requirements of the authority issuing the card, and
  - b) the specific security features, including in particular holograms, kinegrams and other equivalent security features are recognizable and intact,
  - c) the card format ID card has a field suitable for machine reading.
- 2.1.33. The Bank shall ascertain during the indirect customer due diligence that
- a) the facial image of the Client is recognizable and can be identified with the facial image in the card format ID card presented by them, and
  - b) the data on the card format ID card can be logically matched with the data held by the service provider about the Client.
- 2.1.34. During the indirect customer due diligence, the Bank compares the data on the card format ID card presented by the Client with the data of a publicly accessible database or another database from the operator of which the Bank is legally entitled to request data.
- 2.1.35. Within 2 banking days from the recording, the Bank notifies the Client of the result of the indirect due diligence.
- 2.1.36. During indirect customer due diligence, the Bank provides the Client an opportunity to make a declaration on having the status of a politically exposed person, or a close relative of a politically exposed person, or a person closely associated with a politically exposed person, and of beneficial owner as specified in the Anti Money Laundering Act.
- 2.1.37. The Bank shall interrupt the indirect electronic customer due diligence if
- a) the Client withdraws their authorisation for the recoding of data during the indirect customer due diligence,
  - b) the physical and data content requirements of the documents or documentation presented by the Client are not provided,



- c) the visual identification conditions of the Client, the documents or documentation presented by the Client are not in place,
- d) the Bank is unable to make the recording or cannot record the workflow of customer due diligence,
- e) any contradiction or uncertainty arises in relation to it during the proceedings,
- f) during the due diligence the Bank is unable to retrieve all relevant data from the electronic storage element of the electronic personal identity card, any doubt arises with regard to the authenticity of the official personal identity certificate or the data retrieved from the official personal identity certificate, or based on the retrieved data the service provider is unable to identify the Client beyond reasonable doubt.

## **2.2. USING A PROXY**

- 2.2.1. In delivering the Services or executing client orders, the Bank is entitled to use a proxy if it is deemed necessary, at the Bank's sole discretion, or in order to prevent the Client from suffering any damages, or for the safeguarding and preservation of its own assets.
- 2.2.2. The Bank shall be liable for the actions of a proxy, chosen by the Bank, in the same way as if such actions were taken by the Bank itself.
- 2.2.3. If, in delivering the Services or executing client orders, the Bank uses any foreign bank or any other foreign proxy, the relevant international treaties and standards shall apply to the Bank's liability for the foreign proxy.

## **2.3. CO-OPERATION BETWEEN THE BANK AND THE CLIENT; PROVISION OF INFORMATION**

- 2.3.1. The Bank and the Client shall act in accordance with the relevant principles of civil law and taking account of each other's interest to the utmost extent. The Bank and the Client must cooperate with each other when negotiating about and concluding a Contract, during the life of the Contract, and when the Contract is terminated, and must inform each other of all material circumstances affecting the Contract. This includes that the Bank and the Client shall immediately notify each other of any condition or fact deemed material to their relationship. Furthermore, the Parties shall immediately respond to any inquiry by the other Party unless otherwise necessitated by the nature of the issue or the conclusions drawn from the available documents, and shall draw the attention of the other Party to any potential changes, inaccuracies and defaults, and shall remedy them if enabled under the circumstances.
- 2.3.2. The Bank and the Client shall immediately notify each other of any and all changes in their official name, address, telephone and facsimile number, or representation, and of any and all other changes affecting their person, legal status or the financial position of the Client which are deemed material in respect of the performance of the Contract. If the Client fails to notify the Bank of any change to the information provided by the Client which cannot be verified in an official public register (such as telephone number, telefax number, or electric mail address) the Bank shall continue to consider such information as belonging to the Client until has been reliably informed to the contrary. In such case, unless otherwise stipulated in the contractual terms applicable to the specific product, the Bank shall delete the relevant contact information from its records following the Client's notification thereof.
- 2.3.3. The Client shall notify the Bank in writing if any notice expected from the Bank (in particular, a credit advice or a notice about the execution of a payment order) fails to arrive in a timely manner. Except in connection with a consumer, the Bank shall not be liable for any damage that may arise from the Client's failure to notify the Bank of any unreceived notice.
- 2.3.4. The Client shall treat any and all information about his relationship with the Bank in a confidential manner, if such information has been classified as confidential by the Bank upon signing the Contract or at any other time, in any manner.



- 2.3.5. In order to deliver the Services described within the contracts signed with the Clients, and to check the fulfilment of the Clients' liabilities, as well as to fulfil its own commitments, the Bank shall be entitled to request the Clients to provide and present documents containing personal information and data on their deposit, credit and risk conditions. Such documents include, in particular, the end-of-year balance sheet, the consolidated balance sheet, and financial reports. The Client shall also provide any and all data or information in relation to the delivery of a particular Service or the execution of a particular order, the availability of which is prescribed by law or which is necessary for the Bank in order to assess the Client, the transaction in question or the collateral.
- 2.3.6. Clients who are legal persons or other entities shall immediately notify the Bank of their intention of reorganisation, separation, de-merger, merger or amalgamation, any planned apportionment (distribution) of its assets, or if such actions have already taken place. The Bank shall also be informed if such Client intends to launch bankruptcy, voluntary dissolution or liquidation proceedings against him, or if the organisation legally qualifies for such action, or if the Client becomes aware in any way that a third party has initiated or intends to initiate liquidation, legal supervision, deletion from the registries, or similar proceedings against him.
- 2.3.7. Documents provided by the Client shall be either original copies or copies certified by a notary public. The Bank may request further forms of authentication for documents issued in a foreign country. The Bank or its proxy is entitled to perform an on-site inspection of the Client's books and other records.
- 2.3.8. The Client shall be liable for providing the Bank with accurate and adequate information that is not misleading to the Bank. The Bank is entitled to check the authenticity of information provided by the Client, using all available lawful measures. Should the Client fail to provide the Bank with the information and documents in the manner and by the date specified by the Bank, the Bank shall be entitled to reject the fulfilment of the Client's request. Failure by the Client to fulfil its information provision obligation shall be deemed as a serious breach of contract with respect to all Contracts concluded with the Bank.
- 2.3.9. Any and all damages arising from a failure to fulfil an information provision obligation shall be borne by the defaulting party.
- 2.4. NOTICES, DELIVERY**
- 2.4.1. The Bank shall send any and all contractual offers, statements, notices and documents intended for the Client to the address designated by the Client. In the absence of such a designated address, the Bank shall send the documents to the address of the Client known to the Bank. The Bank shall not be liable for any delay in or failure of delivery due to the inaccuracy of or changes in the name, address or key delivery-related data provided by the Client, or any other reason beyond the Bank's control. Any and all extra costs arising from erroneous delivery as a result of the Client giving an incorrect address shall be borne by the Client, and shall become promptly due and payable.  
The Client acknowledges that in the event that the delivery of an account statement fails, that Bank will be subsequently entitled to discontinue deliveries and to prepare and store all further account statements electronically only, and to hand them over to the Client in printed copies at the time of his/her personal visit.
- 2.4.2. In the event of the Client's failure to perform a debit and/or credit transaction on his/her bank account for a significant period of time (i.e. at least three months), the Bank shall be entitled to send to the Client's mailing address a verification statement and/or account statement (verification statement) for security reasons. Verification statements shall be sent subject to the decision of the Bank, at indefinite times and at least once a year.
- 2.4.3. Documents and notices addressed to the Client shall be deemed as mailed by the Bank if the Bank possesses a photocopy of the original document, or the copy signed off by an officer of the Bank, and mailing can be evidenced based on the signed-off postal registry, return receipt or dispatch note, or a registry kept by the Bank for this purpose. The Bank shall not be obliged to send communication addressed to Clients by registered mail, with return receipt.



- 2.4.4. The above-mentioned provisions shall not apply to securities, contractual offers or any other documents that should, in the Bank's opinion, be handled in the way fittest for the particular purpose, and under extra safe circumstances. In such instances, the Bank shall forward the items in a manner negotiated with the Client in advance or, if such negotiations fail for some reason, in a manner chosen by the Bank with the due care and diligence reasonably expected of it.
- 2.4.5. Unless the Client informs the Bank to the contrary, the Bank is entitled to regard written notices sent by the Bank to Clients as delivered to the Client if (i) in case of a domestic address, the fifth, (ii) in case of a European address, the tenth, (iii) in case of a non-European address, the twentieth day has passed since posting. The date of receipt of mail sent by return receipt is shown in the receipt. Mail sent to the address provided by the Client shall be deemed by the Bank as delivered as of the date of the attempted delivery even if the mail is returned with any one of the following markings: 'address not identifiable', 'unknown addressee', 'not collected', 'refused to accept', 'obstacle to delivery', "addressee moved" or similar.
- 2.4.6. In cases where a large number of Clients are affected by the subject of the notice, the Bank may also notify Clients by displaying information on its premises open for client service. The Bank shall, in particular, notify Clients in this manner about the changes of the General Terms and Conditions, any GCTC or the Announcement change. Such notices shall be deemed as delivered on the banking day following the banking day on which the notice was physically displayed on the premises during business hours.
- 2.4.7. Written communication to the Bank shall be sent to the address where the Bank manages the Client's bank account, or to the organisational unit of the Bank which concluded the Contract with Client, or to the address provided by the Bank to the Client for this purpose. Written communication shall be evidenced as received by the Bank with a return receipt or proof of acceptance or, in the absence of the foregoing, by the Bank's relevant records. Occasionally, the Bank may provide an acknowledgement of receipt upon the Client's request. If a copy of the mailed item is signed off and stamped by the Bank, using the stamp normally used for this purpose, this shall be deemed as an acknowledgement of receipt.
- 2.4.8. The Bank may send messages to its Clients in addition to declarations relating to a Client Contract and messages to be sent under a Client Contract (so-called contractual messages): such as a message sent in connection with an existing product or service (so-called service and information messages), as well as an enquiry for business purposes (so-called marketing enquiries). Service and information messages are only related to the customer relationship and to services and products that the Client already has but are not explicitly included in the contract with the Client. Service and information messages are not marketing messages and do not contain a business offer. The Bank (and the member companies of the K&H Brand Group) often offer their services to their Clients through direct marketing enquiries. These enquiries may be made through various communication channels, such as telephone, SMS, post, e-mail and digital channels (e-bank or Mobilbank message, including 'push' messages, as well as e-posta or web Electra messages).

The Bank will send marketing enquiries to natural person Client only with the Client's prior, clear and express consent through the channel(s) of the Customer's choice. The Bank may send service and information messages to natural person Client without his/her prior consent, but the Client shall be entitled to object to such messages at any time. Objection may be submitted at any of the Bank's contact details and - if Contract for the use of the Electronic Identification Banking Service(s) has been concluded between the Client and the Bank - via the K&H e-bank platform. As these activities also involve processing of personal data, further information is available in the Bank's Privacy Policy published on <https://www.kh.hu/adatvedelem>.

The Bank may send service and information messages and marketing enquiries to incorporated legal entity Clients, as well as any other organisation Clients without their prior consent. If the Client does not wish to receive marketing enquiries from the Bank, it may object to the sending of such messages by the Bank. This declaration may be made orally or by written declaration by a person duly authorised by the Bank's Corporate Customer Service (+36 1 468 7777, [vallalatiugyfelszolgalat@kh.hu](mailto:vallalatiugyfelszolgalat@kh.hu)). In the



case of more person duly authorized with joint signatory right, a joint declaration by all of them is required. In the case of a written declaration, the Bank may accept a paper declaration duly signed by the Client or an electronic document bearing the qualified electronic signature or an enhanced security electronic signature based on a qualified certificate and a time stamp. The Bank sends its messages addressed to the Client to those individuals affiliated to the Client (executive officer, person with right of disposal, e-channel user, beneficial owner, cardholder, etc.) to whom the content of the message may be relevant.

## **2.5. FORM OF LIAISON**

2.5.1. The Client will liaise with the Bank through the Bank's client contact points. Branches are regarded as personal contact points, while electronic contact points include, in particular, the following: facsimile, telephone, direct computer-based and mobile application-based contact. With the exception of branches, each contact point may be used under a separate agreement entered into between the Client and Bank in respect of the given – usually electronic – contact point.

The Bank reserves the right to provide certain Services only through its specific contact points designated for this purpose.

2.5.2. Both the Bank and the Client shall be obliged to provide or confirm any and all notices, orders or messages addressed to the other Party, as well as any Contracts, in writing. A document is deemed written if it qualifies as such pursuant to the relevant legal regulations or pursuant to express or implied provisions of the Contract.

2.5.3. In case of confirmation of any communication received via telephone or in any other non-written form, the Party receiving such communication shall be obliged to immediately indicate any discrepancies between the original communication and the written confirmation thereof.

2.5.4. The Bank shall execute the Client's order sent via facsimile only if the Client has previously provided a definite authorisation therefore to the Bank in writing or under the Contract, and by making the declaration, the Client at the same time agrees that any and all damages arising from the execution of such an order shall be borne exclusively by the Client. Any orders that have been received via facsimile or telephone and have been executed shall, without exception, be considered as given by the Client.

2.5.5. The Bank informs the Client that the risk of errors, misunderstandings or other mistakes or abuse arising from the nature of the device is higher in the course of using electronic means of communication (particularly telephone, facsimile, computer networks) than in the course of direct written communication. Therefore the Bank will only apply the above communication channels on the Client's specific request and authorisation, furthermore, it will only execute orders transferred via electronic communication means without written confirmation on the Client's specific request and hazard.

2.5.6. The Bank reserves the right to reject, at its own discretion, any order received via telephone, telegraph, by facsimile, or in an electronic format – excluding the cases specified above – for security reasons, and to preclude the Bank's responsibility in connection therewith. The Client shall be promptly advised of such rejection.

2.5.7. The Bank is entitled to consider any of its notices as acknowledged and accepted by the Client if no written comment or objection is received by the Bank from the Client within fifteen days of the date of receipt.

2.5.8. If the Bank is unable to contact the Client by the means provided by the Client for contact, despite the Client's initiation of transactions, the Bank shall, pursuant to Section 12 (5) of the Money Laundering Act, call upon the Client to contact the Bank in writing by post at least twice. If the second notification is unsuccessful, the Bank will refuse to execute the transaction initiated by the Client until the Client contacts the Bank.

## **2.6. PLACE, DATE AND METHOD OF PAYMENT**



- 2.6.1. The place of payments between the Bank and the Client shall be the organisational unit of the Bank where the account of the Client is managed, or where the Client concluded the Contract, or where the Bank delivers the Service to the Client.
- 2.6.2. The date of any payment due to the Bank shall be considered to be the date on which the amount in question is debited by the Bank to the Client's bank account held with the Bank. If the payment is effected from an account other than the account held with the Bank, the date of payment shall be the date on which the amount in question is credited to the bank account designated by the Bank.
- 2.6.3. Any cash payment to a bank account shall be considered executed when the cash is paid in at the counter of the Bank or at a post office.
- 2.6.4. The date of any payment due to the Client shall be the date on which the amount in question is credited to the Client's bank account.
- 2.6.5. If any contracts under the present General Terms and Conditions refer to a 'banking day', such banking days are to be understood as days when the Bank is open for business. For foreign exchange transactions, banking days refer to all such days when the Bank is open for business and when, in the financial centres of the relevant currency, there are clearing services available for such currency, and the financial settlement of payments to be executed in the currency in question is possible using the generally applied settlement systems and in line with generally used banking practice. Should any part of any contract refer to a 'working day', such working day is to be understood to equal a 'banking day'. Plain 'days' refer to calendar days.
- 2.6.6. In the event of a withdrawal at the counter in Hungarian forints (HUF) or foreign currency in or exceeding the amount specified in the current Announcement, or in a foreign currency, irrespective of the amount, the Bank's payment obligation shall arise subject to the Client notifying the counter of the payment location, in writing, of his intention to withdraw such amount, by identifying the exact amount and currency two banking days prior to the withdrawal, and also subject to the availability of sufficient funds on the Client's account.
- 2.6.7. If the due date of any payment falls on a bank holiday, such payment shall become due on the first business day following such due date.
- 2.6.8. The Client is obliged, by giving an order to the Bank to debit his account or otherwise, to arrange for the fulfilment of his payment obligations towards the Bank in a timely manner. If any payment by the Client under the Contract remains unpaid by the due date thereof, the Client shall be obliged to pay default interest on the unpaid amount for the period between the due date and the actual payment of the amount. In the absence of a different agreement between the Bank and the Client or of a specific, compulsory legal requirement, the default interest rate shall be defined as the general default interest rate set by the current legislation. The Client is also obliged to reimburse any losses suffered by the bank or any costs paid by the Bank as a result of enforcing its claims on the Client.
- 2.6.9. The Client shall pay any amount payable under the Contract in full in Hungarian forints (HUF) or in the currency of the Service (of the Service Contract) that the given payment liability (principal repayment, interest and fee payment) is related to. If any (re)payment respective to the Service is affected in a currency other than the currency of the Service, the Bank shall convert the amount payable by applying the appropriate rate of exchange, as specified in the relevant Service Contract.
- 2.6.10. A Client who does not qualify as a consumer must pay the amounts payable under the Contract without any deduction for set-offs, taxes or any other counter-claim, unless the Client must perform such deduction under any legal provision or statutory resolution. A Client who is a consumer must pay the amounts due based on the Contract without the deduction of taxes or any recourse (apart from offsetting), unless the Client is obliged by legal regulations or an authority's order to deduct such items. If any deduction from the amount paid or payable by the Client under the Contract is compulsory, the Client shall pay an additional amount to the Bank to enable the Bank to receive such a total net amount as if the compulsory deduction has not taken place.



- 2.6.11. The Bank may recover any due claim from the Client's accounts kept with the Bank. Consequently, the Bank may, without notifying the Client in advance and without the Client's instruction, charge any due debt to any of the Client's bank accounts kept with the Bank. Sequence of recovery from the various account types: first any account managed in the currency of the debt; then any account managed in another currency; and then, in the same sequence, any other client account(s) defined in the Act on Capital Markets (hereinafter: Capital Market Act) and other applicable legal regulations. After payment accounts and client accounts, amounts on any deposit account offering no tax benefit or exemption shall be used. Other than in these cases, the Bank shall use a deposit or deposit account after expressly notifying the Client in advance, in writing. Bank accounts shall be debited following any higher-ranked order as defined in the effective legal regulations on payments, but prior to all other orders. Concerning term deposits, this Bank's right for recovery may be exercised irrespective of the expiry of the term deposit. The Client may not demand compensation by the Bank for any resulting interest loss.
- 2.6.12. The Bank may exercise its recovery right without regard to the documentation limits for offsetting pecuniary claims as stipulated in the effective Civil Code; consequently, the Bank may offset its pecuniary claim that is notarised or defined in an executable document or agreement with any justified claim that the Client may make from the Bank, irrespective of the format of the document underlying this latter claim.

## **2.7. CHARGES, ANNOUNCEMENT**

- 2.7.1. A Client who is not a consumer shall pay interest, commission, flat (administration) fee or any other fee (hereinafter jointly referred to as "charges") for the Services delivered by the Bank, the rate of which shall be defined in the relevant and prevailing Announcement and the Contract. The Announcement, furthermore, includes other special terms and conditions for the delivery of Services and the execution of orders. The Bank reserves the exclusive right of setting and modifying charges and the terms and conditions published in the Announcement, as well as the right of introducing new charges.
- 2.7.2. In case of certain Clients or Services, the Bank reserves the right to deliver its Services with unique terms and conditions that are different from the conditions and charges stated in the General Terms and Conditions, the GCTCs and the Announcement. The setting and modification of such terms and conditions are the exclusive right of the Bank. The Client shall not demand from the Bank the delivery of a given Service with terms and conditions other than those stated in the Announcement. Furthermore, the Client shall not demand from the Bank the reimbursement of the difference between the service charge specified in the terms and conditions stated in the Announcement and as potentially delivered with preferential conditions.
- 2.7.3. Any other costs arising during the delivery of a Service or the execution of an order, including, in particular, postage costs, the potential costs of legal proceedings and any duties, shall be borne by the Client. Upon being instructed by the Bank, the Client shall promptly pay the Bank any and all extra costs potentially resulting from the entry into force or modification of any legal regulation or other ruling, or from any change in the interpretation thereof, in accordance with prevailing law. Furthermore, the Client shall, from time to time and upon the Bank's request, reimburse any and all expenses of the Bank that occur in relation to the exercising or upholding of the Bank's rights (or any attempt to do so) under the Service, as well as in relation to any amendment of or addition to the Contract, or any possible waiver or approval thereof.
- 2.7.4. The rate of fees and charges payable for the Services shall be primarily set within the Client Contracts. All Services which or whose charges are not stipulated by the Client Contract, shall be governed by the Bank's Announcement.
- 2.7.5. The payment of charges, unless otherwise stipulated in the Client Contract, the relevant GCTC or the Announcement, shall be due at the end of the accounting period specified in the Contract, or upon the termination of the Contract.
- 2.7.6. The payment of charges due to the Bank shall be effected by the Bank debiting the amount in question to the Client's bank account on the date when the payment is due. The Client shall be responsible for ensuring that there are sufficient funds on his bank account as of the due date. Unless otherwise



agreed, any amount (e.g. interest on deposits) payable to the Client shall be credited by the Bank to the Client's bank account.

- 2.7.7. Any foreign bank charges arising from the execution of the Client's order shall be settled according to international practice or an agreement between the Bank and the Client.
- 2.7.8. Unless otherwise stipulated, the delivery of a Service or the execution of an order is subject to the payment of the relevant charges by the Client. If such payment is not effected, the Bank is entitled to refuse to deliver the Service or execute the order, or if the delivery has already commenced, to suspend delivery until such payment is effected.
- 2.7.9. Unless otherwise stipulated, any interest and period-tied charge payable by the Client to the Bank shall be calculated on calendar days, as follows:

$$\frac{\text{principal} \times \text{rate of interest} \times \text{number of calendar days}}{36000}$$

Unless otherwise stipulated, interest (on deposits) payable by the Bank to the Client shall be calculated on calendar days, as follows:

$$\frac{\text{principal} \times \text{rate of interest} \times \text{number of calendar days}}{36500}$$

- 2.7.10. Unless otherwise stipulated in the Client Contract, a bank holiday shall be deemed as a day in relation to which interest is calculated and paid.
- 2.7.11. Services in general are exempt from Value Added Tax (hereinafter 'VAT'). Should the delivery of the given Service be subject to VAT, the charges shall include VAT.

## **2.8. LIABILITY OF THE BANK**

- 2.8.1. Exclusion of the Bank's liability in the Contract shall be construed as follows: (i) the exclusion of liability does not extend to any intentional breach of contract by the Bank or any breach of contract that causes bodily harm; and (ii) if such breach of contract by the Bank is proven to have contributed to the damage, or if the Bank was obliged but is proven to have failed to mitigate the damage, then the Bank shall be proportionately liable.
- 2.8.2. Concerning a legal relationship established on or after March 15, 2014, unless the Bank's liability is excluded or limited by the Contract or legal regulations, the Bank must compensate the Client for any damage caused by the breach of Contract (in view of any limitation of liability). The Bank must compensate for any other damage to the Client's property and for any unrealised gain only to the extent that the Client can prove that the damage, as a possible consequence of the breach of Contract, was predictable at the time of concluding the Contract.
- 2.8.3. The Bank shall not be liable for damage caused by circumstances that are beyond the Bank's control and could not be predicted at the time of contracting, unless the Bank could be reasonably expected to avoid that circumstance or prevent the damage. Consequently, the Bank shall not be liable for damage incurred due to the following (amongst others):
1. natural disasters, wars;
  2. compulsory legal regulations;
  3. orders of generic effect by domestic or foreign authorities (including but not limited to stock exchanges or supervisory authorities such as the National Bank of Hungary), limitation of the conversion of transfer of liquid assets, freezing of a Client's deposits with the Bank, or freezing of the Bank's deposits with the National Bank of Hungary;
  4. rejection, unavailability or late issuance of any necessary authorisation, permit or other document to be issued by an authority (unless for a reason attributable to the Bank);
  5. sovereign bankruptcy or unpredictable and unavoidable events, or other circumstances beyond the Bank's control



(the items in the above sections 1-5 hereinafter collectively: "Acts of God") which the Bank cannot prevent or influence; or

6. result or arise from events within the Client's sphere of interest or control, or from the Client's failure to honour the Contract in due time, or from the Client giving an inaccurate or non-compliant instruction or order (including differences between counterparts of the same order, incomplete or illegible or contradictory orders, deleted, modified or corrected orders, or an order specifying one amount in numbers and a different amount in letters, orders with parts of the pre-printed data crossed out, deleted or supplemented, orders not dated, as well as torn or filthy order forms).

2.8.4. The Bank is not obliged to accept such erroneous orders / notifications, which need to be repeated in the right format and with the correct content. Both the Client and the Bank must immediately prevent and mitigate damage to the extent that they are generally expected to do so, and must notify the other party of the event. The Bank is not obliged to reimburse for damage caused by the Client's failure to comply with its obligation to prevent or mitigate the damage as much as possible, or to inform the Bank of the event.

2.8.5. The Bank shall not be liable for any failure to deliver an agreed Service if the process is hindered by a dispute between the Client and a third party, or by the imputable conduct of a third party or by the party responsible for settlement.

2.8.6. If the Bank receives or forwards documents upon the Client's order, it shall verify the correspondence between such documents and the content of the order with reasonable care. The Bank shall, however, not be held liable for the authenticity or validity of documents presented or any amendments thereto; or for the type, origin, quantity and quality of commodities identified therein. The Bank shall deliver the documents and effect the payment to the person who, based on the verification of supporting documents, appears to be entitled to receive the documents and the payment.

2.8.7. The Bank shall not be held liable for the consequences of executing any counterfeit or forged orders, where the forgery could not be recognised even by checking the order with the due care applied during the Bank's regular course of business.

2.8.8. The Bank shall only be liable for any damage arising from the Client misrepresenting his legal status or ability to perform, or from failing to inform the Bank in due time and in writing about any changes in his ability to perform, if the Bank has acted wilfully and with gross negligence.

## **2.9. COLLATERAL**

2.9.1. At any time and with regard to any of its claims, the Bank may require the Client to provide collateral in line with his debts, even if the Client's debts are connected to certain conditions or a certain date, or are not yet due. The Bank shall define the security value of collateral offered by the Client pursuant to the relevant and effective legal regulations.

2.9.2. The Bank may claim several types of collateral concurrently, each of which, unless otherwise stipulated in the relevant Contract, serves to secure the entire claim of the Bank. The primary collateral that the Bank accepts includes the items that usually serve as collateral in banking, i.e. especially guarantees, security deposits, and various forms of pledge. The types and levels of required collateral is determined by the Bank pursuant to the effective legal regulations and the risks of the underlying Service, in knowledge of the Client's business activity, finances and assets.

2.9.3. The Client's failure to provide collateral as required by the Bank constitutes a grave breach of contract. Until the collateral is provided or supplemented as required by the Bank, the Bank may suspend the provision of the Service to the Client, and may apply the legal consequences of a grave breach of contract.

2.9.4. The Client must ensure that any property, right and claim serving as collateral for the Bank is maintained and their value is retained. Furthermore, the Client must ensure the enforceability of these claims, and that their performance is effected on the due date. The Client is entitled and obliged to use, treat, operate and preserve the property in use and serving as collateral for the Bank in a duly manner.



- 2.9.5. Should the Client fail to fulfil the aforementioned obligations, thereby endangering the preservation, value and collectability of the collateral, the Bank or its appointee is entitled to take actions directly on behalf of the Client and at the Client's expense, to initiate any necessary official or judicial proceeding, and exercise its rights stipulated in the relevant legal regulations or Contract.
- 2.9.6. The Client must immediately notify the Bank of any actual, projected or expected deterioration in the value, enforceability or marketability of collateral. For compliance with section 2.9.1, the Bank may request additional collateral.
- 2.9.7. To cover the pledged property as well as any property acquired by the Client as a result of the Bank's commitment, the Client must take out a property insurance policy meeting the Bank's requirements, and to pay the insurance premiums according to the provisions of the insurance contract. While the Client has debts towards the Bank, the Client shall not modify or terminate the insurance policy without the Bank's consent. The Bank shall grant its consent to the termination of the policy if the Client enters into a new insurance contract as of the date of terminating the earlier one, and stipulates therein unchanged terms for the Bank as beneficiary. The Client must designate the Bank as the beneficiary of the insurance policy. Unless this is contrary to the law or the Contract, the Client must use any funds received as a result of his claims under the insurance policy or from any insurance settlement, to reduce the amount of his debt, even if it is prior to the due date of his debt, under circumstances where the Client fails to replace any destroyed, lost or damaged property. Any insurance settlement amount in excess of this shall be due to the Client.
- 2.9.8. As part of collateral-related provisions the Client must, upon the Bank's request, to authorise the Bank to collect any overdue debts under the relevant Contract by giving a prompt collection order for all such bank accounts of the Client held with another bank that are either current accounts or for which prompt collection orders can be submitted.
- 2.9.9. The Bank or its appointee may verify the availability of collateral (on site if necessary), and may check if the Client complies with its collateral-related obligations. The Client must cooperate with the Bank in such checks and verifications, providing all necessary information and granting access to related documents.
- 2.9.10. If the exercising of any collateral right or enforcement of any claim becomes due, the Bank may exercise that right or enforce that claim unless a relevant Contract or legal regulation stipulates otherwise. The Bank may consider any amounts recovered in that way as collateral, unless otherwise agreed with the Client. If it is no longer necessary to handle the amounts recovered in that way as collateral, they shall be credited to the bank account specified by the Client, unless otherwise agreed. If the Client does not specify a bank account, the amounts shall be credited to any of the Client's those bank accounts with the Bank which the Client may freely dispose over.

## **2.10. CASHIER SERVICE**

- 2.10.1. The Bank shall provide a cashier service on its premises open for client service during the business hours published in the Announcement. The Bank publishes the list of branches providing teller services on its official website ([www.kh.hu](http://www.kh.hu)). After leaving the counter, the Bank is not obliged to consider the Client's remarks made, with respect to the amount deposited to or withdrawn from the cashier, or the properties of the payment instrument. If a withdrawal is made from the counter and the Bank is in a position to provide sufficient evidence that the Client received excess funds, the Client shall be obliged to repay any such excess to the Bank.
- 2.10.2. The Client is not obliged to wait for the examination of the authenticity and the counting of banknotes and coins handed over in packaging stipulated by the Bank, as long as the Client makes a declaration taking responsibility for any deficit or forgery ascertained by the Bank in his absence, by reimbursing the equivalent of such deficit of forgery to the Bank.
- 2.10.3. The Bank in compliance with the current legislation shall either accept incomplete or otherwise damaged payment instruments, or reject their acceptance.



- 2.10.4. The Bank must accept any counterfeit, forged or seemingly forged payment instruments and prepare a report of the event, and then forward such instruments to the National Bank of Hungary (“MNB”). The Bank shall henceforth proceed according to the MNB’s advice. During the examination, and if the instrument proves to be forged, the Bank shall not provide any equivalent amount, indemnity, amends or compensation under any other legal title to the Client.
- 2.10.5. In case of cash withdrawals, the Bank may request the Client to present evidence of his identity and his entitlement to cash withdrawal.
- 2.10.6. In case of depositing or changing a large amount of cash, the Bank may charge an extra fee as specified in the Announcement.

## **2.11. MANAGEMENT OF COMPLAINTS**

- 2.11.1. Clients may file an oral complaint in relation to the services provided by the Bank (over the phone, i.e. through K&H TeleCenter or the K&H Corporate Customer Service, or in person in any branch) as well as in writing with his home branch, contact person or administrator. The details of the complaint management process are described in the Complaints Handling Regulation available on the Bank’s website. Clients may contact the designated — by the Announcement of the Bank — data protection officer in connection with data protection issues
- 2.11.2. The Bank shall investigate the complaint of the Client and inform about the results within 30 days after receipt thereof in writing. Shall the term of investigation exceed this deadline due to the nature or to the involvement of third parties (for instance international bank card associations, other financial service providers, merchants or organizations doing outsourced activities) in the provision of the Service, the Bank shall inform the Client within the above deadline about the prospective term of investigation and when the results will be acquainted. If a Client is not satisfied with the investigation of his complaint, he may contact the court with competence under the Act on Civil Procedures. Regarding the handling and terms of investigation of complaints submitted through the supervisory authority of the Bank the relevant rules of law shall be applied.
- 2.11.3. Clients classifying as consumers may contact the following bodies and agencies if their complaint has been rejected or the 30-day response period required by the law has expired without results:
  - a) If the dispute concerned the entry into force, validity, legal consequences and termination of the contract for the Service or a breach of contract and its legal consequences, Clients may appeal to the Financial Arbitration Board in accordance with Sections 96-130 of Act CXXXIX of 2013 on the National Bank of Hungary (registered seat: 1013 Budapest, Krisztina krt. 55., correspondence address: 1525 Budapest Pf. 172., customer service address: 1122 Budapest, Krisztina krt. 6., phone: +36 80 203 776, e-mail: [ugyfelszolgalat@mnb.hu](mailto:ugyfelszolgalat@mnb.hu), website: [www.penzugyibekeltetotestulet.hu](http://www.penzugyibekeltetotestulet.hu), the location of hearings: 1133 Budapest, Váci út 76., Capital Square office building) and request a financial consumer dispute procedure.
  - b) Irrespective of the action of the Financial Arbitration Board, any breaches of the consumer protection provisions set out in Act CXXXIX of 2013 on the National Bank of Hungary entitle Clients to also appeal to the Bank’s supervisory authority, the National Bank of Hungary: (correspondence address: 1534 Budapest BKKP Pf. 777, registered seat: 1013 Budapest, Krisztina krt. 55., customer service address: 1122 Budapest, Krisztina krt. 6., phone: +36 80 203 776,) and request a financial consumer protection control procedure.

The management of complaints filed via the Bank’s supervisory authority and the deadlines for the same are governed by the relevant legislation.
- 2.11.4. If a financial consumer dispute arises concerning an online service agreement between a Client classifying as consumer and the Bank (i.e. a contract under which the Bank provides the service via a website or other electronic tool and the Client orders or enters into a contract for the same via a website or other electronic tool), the Client may also seek the out-of-court resolution of the dispute online by appealing to a jointly selected dispute resolution forum via the online dispute resolution platform provided for in Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes. In Hungary, the resolution of financial



consumer disputes is the competence of the Financial Arbitration Board. The website of the online dispute resolution platform is: <http://ec.europa.eu/odr>. The Bank has the right to refuse to enter into dispute resolution via the online platform.

## **2.12. PREVENTION OF MONEY LAUNDERING, SANCTIONS POLICY, AND MEASURES AGAINST BRIBERY AND CORRUPTION**

### **2.12.1. Prevention of money laundering**

In order to prevent money laundering and terrorism financing, the Bank must have the clearest possible understanding of the Client's activities, the Client's business partners and the economic background of the financial operations on the Client's bank account. Failure to comply with the AML Act and other similar Hungarian and European Union legislation classifies as a serious breach of contract under any Agreement entered into with the Bank.

### **2.12.2. Sanction procedures**

It classifies as a serious breach of contract under any Agreement entered into with the Bank if

- a) the Client engages in any activity that is in violation of any restrictive measures imposed by the European Union, the United Nations Security Council, the United Kingdom or the United States of America against any country, person or entity, or has a business relationship with a person, entity or body that appears on the sanctions lists maintained by the European Union, the United Nations Security Council, the United Kingdom or the United States of America. Detailed information on the lists of sanctions imposed by the European Union, the United Nations Security Council, the United Kingdom and the United States of America is available on the website of the Magyar Nemzeti Bank.
- b) the Client or any of their respective owners/executives are subject to restrictions under the sanctions regimes of the European Union, the United Nations Security Council, the United Kingdom or the United States of America.

The Bank may refuse to execute outgoing and incoming transfer orders at any time if they are in breach of restrictive measures imposed by the European Union, the United Nations Security Council, the United Kingdom or the United States of America against certain countries, persons or entities, or of the Bank's internal regulations.

The Bank publishes information on sanctions and embargoes on its website and updates it regularly.

### **2.12.3. Anticorruption strategy**

Corruption is defined as benefits given/offered in order to unfairly influence others (active corruption), the receipt/acceptance of bribery in return for conducting action that would not have happened otherwise or for omitting action that would have happened otherwise (passive corruption), or the promise or delivery of advantages to public officials whose influencing for gain or for acquiring business is not permitted (corruption of public official). All forms of corruption classify as serious breaches of contract under any Agreement entered into with the Bank.

The Bank declares its principles on gifts and entertainment on its website. When implementing its anticorruption strategy, the Bank also takes firm action against gifts exceeding the value threshold defined in its principles. The Client's failure to comply with these principles classifies as a serious breach of contract under any Agreement entered into with the Bank.

## **2.13. SUSPENSION OF SERVICES (DOWNTIMES AND BANK HOLIDAYS)**

### **2.13.1. Suspension of the Service**

The Bank may, in respect of any of its financial services, auxiliary financial services or any part of its activities related to such, which constitute its Services, observe downtimes for the purpose of a pre-scheduled suspension of the Service for a period not exceeding four hours or observe bank holiday(s) for the purpose of a pre-scheduled suspension of the Service for periods exceeding four hours on business days, in situations where it deems this justified or otherwise necessary. The definition of bank



holiday also includes a scheduled suspension of the Service for a specific period of time exceeding 4 (four) hours but not extending to a full calendar day.

#### **2.13.2. Notifying Clients about suspensions of the Service**

The Bank shall advise its Clients concerned of the fact, as well as the start and end date and time of the suspension and the scope of the Services affected at least 7 (seven) days prior to downtimes and at least 30 (thirty) days prior to bank holidays. The Bank shall fulfil its obligation to notify its Clients by publishing relevant notices on its website and by displaying them in its premises open to Clients. The Bank shall fulfil its obligation to advise its Clients affected by the suspension of the Service directly, at its discretion, through one of the electronic points of contact used by the Clients, or by means of the account statement or a letter sent by post to the Clients. Direct communication methods used via electronic points of sale include, in particular, messages sent through a banking service assigned to the Client using electronic Client identification, or push messages, or messages sent by e-mail or through text messaging.

#### **2.13.3. Announcing Service suspensions to the Supervisory Authority**

The Bank shall announce the scheduled suspension of Services and the scope of the affected Services to the Supervisory Authority at least 7 (seven) days prior to downtimes and at least 30 (thirty) days prior to bank holidays. If the duration of a pre-scheduled Service suspension exceeds 4 (four) consecutive days, the Bank shall notify the Supervisory Authority of this intention 60 (sixty) days prior to the commencement of the Service suspension.

#### **2.13.4. Service suspension in exceptional circumstances**

If the planned suspension of the Service is due to an emergency that does not allow for the prior notice of 7 (seven) days in the case of downtimes or 30 (thirty) days in the case of bank holidays (in particular, due to an unplanned interruption of the Service (incident), in order to fully restore the Service as soon as possible), the Bank shall immediately fulfil its obligation to inform its Clients as set out in Section 2.13.2 and report the situation to the Supervisory Authority after the decision to suspend the Service is made, giving the reasons for the deviation from the specified period of prior notice.

#### **2.13.5. Bank holidays ordered by the Supervisory Authority**

The Supervisory Authority may order a bank holiday as part of taking exceptional measures against the Bank. In the event of a bank holiday ordered by the Supervisory Authority, the Bank shall inform its Clients in accordance with Section 2.13.2 on the working day following the day on which the decision becomes final.

### **3. GENERAL RULES GOVERNING THE EXECUTION OF ORDERS**

#### **3.1. RECEIVING ORDERS**

- 3.1.1. Orders to be executed at a specific time shall be submitted to the Bank at such a point of time that enables the Bank to have sufficient time to execute the order. The Bank shall not be liable for any damage arising from any erroneous or late execution of an order if the Bank had insufficient time to execute such order.
- 3.1.2. The Bank shall advise its Clients of the time periods of accepting orders, the procedures for the execution of payment orders and any modification of the above in the Announcement, by displaying it on the premises open for client service.
- 3.1.3. Orders received outside the published acceptance periods shall be considered to have been received on the next banking day, even if they are accepted by the Bank.

#### **3.2. DATA REQUIRED FOR THE EXECUTION OF ORDERS**



- 3.2.1. Each and every order or instruction shall contain clearly and unambiguously all data necessary for the execution thereof. If the modification, confirmation or repetition of a previous instruction is requested, this shall be clearly indicated as such.
- 3.2.2. If the Client requires the order to be executed in a manner other than the usual banking practice or at a specified time, the Bank's attention shall be explicitly drawn thereto.
- 3.2.3. The Bank shall not be liable for any damage arising from the erroneous or defective provision by the Client of details necessary for the execution of orders. The Bank shall not be liable for any damage arising from illegible or hardly legible data on certain copies of the payment order, or from non-identical copies, or if the damage is a result of the Bank's inability to clearly establish from the payment order itself whether the issuer has deceived the Bank or the Client.
- 3.2.4. The Bank will not check the correctness of details or instructions indicated in the lines of payment orders addressed to the payee or other details and instructions not affecting the rights and obligations of the Bank.
- 3.2.5. If the Bank discovers that the order is incorrect or deficient, it shall return the order by giving the exact reason therefore.
- 3.2.6. Unless expressly otherwise instructed by the Client, the method and sequence of the execution of orders may be chosen by the Bank at its discretion, in accordance with legal regulations. The Bank shall be entitled to refuse the execution of any illegal or improper instruction given by the Client.

### **3.3. AVAILABILITY OF FUNDS**

- 3.3.1. The Bank shall execute the Client's payment order if it considers that there are sufficient funds available. Except for cases described in the relevant provisions of the current legislation, the Bank shall not agree to the partial execution of orders.
- 3.3.2. The Bank shall execute orders up to the value of available funds. Provisions relating to funds available to cover the execution of orders (including, but not limited to, the value of required funds and the date and manner of its availability) shall be included in the Client Contract respective to the Service, the GCTC or the Announcement. In case of orders where the Bank must take immediate action, the Bank shall only consider funds available at the time of the order's execution.
- 3.3.3. The Client shall promptly repay any and all advances granted by the Bank in order to execute his order.
- 3.3.4. Unless otherwise agreed upon, the Bank shall execute the payment order by debiting the amount to the bank account stipulated in the order, and the Bank shall not be responsible for finding and transferring sufficient funds to the designated account.

### **3.4. ERRORS AND RECTIFICATION**

- 3.4.1. The Bank is entitled to rectify any credit or debit entries resulting from its own mistake without the Client's instructions therefore. The Bank shall immediately notify the Client of such rectification, by giving the exact reason therefore. The account statement showing the rectification shall qualify as notification to the Client.
- 3.4.2. The Bank's right for rectification shall hold even if the Client has been notified in advance of a change in applicable interest rates in accordance with the relevant conditions, but the closing debit made at the end of the accounting period differs from that indicated in the notice. If the Bank learns about the application of an erroneous interest rate only after the effective date of the rate change, the Bank is entitled to deviate from its normal contractual right for interest rate modification under the Contract in promptly modifying the erroneous interest rate upon notifying the Client of the correct rate.

### **3.5. CANCELLATION, MODIFICATION**

- 3.5.1. In accordance with the provisions of prevailing legal regulations and the relevant Contract, the Client may cancel or modify any of his non-executed transfer orders. The Bank shall charge a fee, specified



in the current Announcement, for the cancellation of the Client's order. The Bank is not obliged to return the transaction slip of the cancelled payment order.

- 3.5.2. In case the Client communicates his intention to cancel or modify a transaction in a non-written format, the Bank is entitled to request the Client for a written confirmation and suspend the execution of such order until receipt thereof.

## **4. DATA PROTECTION AND DATA HANDLING, DISCLOSURE OF INFORMATION**

### **4.1. DATA PROTECTION AND DATA HANDLING**

- 4.1.1. The Bank registers and handles Client-related information shown in any document, contract, certificate and form submitted to the Bank, as well as any and all personal, deposit- and credit-related information generated in any way, in accordance with the prevailing legal provisions on data protection, the relevant provisions of the Credit Institutions Act, and any other legal regulations governing the Service at hand. Depending on the nature of the Contract, the Bank is entitled to utilise such information for risk analysis and mitigation purposes, as well as for making a settlement with the Client and for evidencing the Client's rights and obligations under the Contract, just as for marketing purposes.
- 4.1.2. Clients who constitute legal persons or other entities that provide to the Bank information on individuals associated with them undertake to do so only if the individuals in question are aware of the transfer of their data and agree to it, or if the Client is authorised by law to transfer the data. The Client is responsible for informing these individuals and obtaining their consent. The Bank may process and transfer the personal data which are strictly work-related data of the individuals: e.g. name, language, title, work address, work phone number, work e-mail, scope of authority and powers, signature competence. The Client, whether a company or legal person, consequently holds the bank harmless against any and all claims in this regard.
- 4.1.3. The Bank will record and handle the Client's data related to the contractual offer and to the Contract for risk assessment and fraud prevention purposes, in compliance with the relevant legal regulations, for a period of five years upon the termination of the Contract.
- 4.1.4. In compliance with the relevant legal regulations, the Bank provides access to and transfers the information recorded in connection with the contractual offer and the Contract
- a) to all "KBC group" entities
  - b) to the companies belonging within the Bank's sphere of interest as defined in section 4.5. and recorded in the Bank's prevailing Announcement;
  - c) Office Nationale du Ducreire credit insurance institute; in the latter case, for the conclusion and performance of a risk sharing agreement only.

The purpose of the transfer of the data, depending on the nature of the service provided to the client is, debtor and facility rating, risk analysis and evaluation, review, maintenance and development of IT systems, supporting the provision of services by the Bank, direct offering of services to the Client, effective service of the client and the mutual facilitation of the fulfilment of accounting, security purposes, combating fraud, prevention of money laundering and other obligations prescribed by law.

With respect to the handling of client data also qualifying as personal data and to the transfer of data to third countries outside the European Union, the Bank proceeds in line with the provisions of the act on the right to self-determination of information and the freedom of information (hereinafter: 'Info Act').

- 4.1.5. Within the KBC group, personal information on Clients will only be processed and viewed by entities (a) with which the Client has, had or wishes to have a contractual relationship or contacts, or (b) whose intervention is necessary to deliver or follow-up on Services provided to the Client, or (c) who need to comply at group level with legal or prudential requirements or to preclude fraud.
- 4.1.6. A video surveillance system operates in the premises of the Bank and in its ATM machines, making video-recordings - for security reasons and for the purpose of supervising work processes – of persons



appearing in its premises and availing themselves of its ATM services. The Bank handles the recorded video images for the above reasons and purposes, in line with the provisions of Info Act, and provides for its safekeeping on the site for 60 days, after which time the recordings will be destroyed. The recorded images shall be disclosed to public authorities only, upon their official, written request. By entering the area under surveillance, the person consents to the handling of the video-images recorded of him/her in the manner described above.

- 4.1.7. For lending-type contracts, the Client shall agree to the automated processing and evaluation of his data by means of Information Technology, and in cases where the processing is entirely IT-driven, the Bank shall provide an opportunity to the affected Client to express his points of view.
- 4.1.8. In compliance with the relevant legal regulations, the Bank may, with the Client's consent, record and store the details of any Client who places orders via the telecommunications network – as well as the communication itself – in full detail, including any telephone conversation with the Client.
- 4.1.9. Under the applicable provisions of the Credit Institutions Act ("Credit Institutions Act"), banking secret includes any fact, information, solution or data available to the Bank in respect of clients that pertain to the clients' identity, details, net worth, business activities, economic operation, ownership ties, business relationships, the balance and turnover of the clients' accounts held with the financial institution, and the contracts signed between the clients and the financial institution. In compliance with its legal obligations the Bank will safeguard banking secrets without time limitation, will not use them outside its duties, and – unless authorized by the client – will only disclose them to third parties in the cases specified in the Credit Institutions Act. Such cases include the following:
- where the Credit Institutions Act expressly grants an exemption from the obligation to keep banking secrets (e.g. to authorities, offices, courts of law, government control agencies, investigating authorities and other authorities acting within the scope of their duties, to notaries and town clerks acting in probate matters, when complying with reporting obligations under the Anti-Money Laundering Act, to outsourcing service providers and contributors used by the Bank, to auditors authorized by, property supervisors, legal or other experts engaged by, and insurance companies providing insurance coverage for, the Bank);
  - where it is necessary in the Bank's interests to allow the Bank to sell an existing claim against the client or enforce an overdue claim against the client; or
  - where a certification organization engaged by the Bank obtains a banking secret as part of conducting the certification procedure..
- 4.1.10. In compliance with data protection regulations the Bank may outsource any activity involving data handling, data processing or data storage to other organizations. Under the applicable provisions of the Credit Institutions Act, the transfer of data classified as banking secrets to such organizations will not be regarded as a breach of banking secrecy. Depending on the nature of services provided for clients, the purpose of data transfer is usually debtor and facility rating, risk analysis and assessment, control, maintenance and development of IT systems, supporting the provision of services by the Bank, offering services directly to clients, serving clients efficiently, and mutually facilitating the fulfilment of legal obligations pertaining to accounting, security requirements, the prevention and combating of fraud and money laundering and other legal obligations. The Bank will always make such organizations ensure the secure handling of client data in accordance with the terms set forth in applicable data protection and banking secrecy laws. The types of outsourced activities and the outsourcing service providers are listed in these General Terms and Conditions.
- 4.1.11. The Bank informs the Client that – in compliance with the provisions of Info Act, in the cases and with the exceptions stipulated by legislation – the Client shall be entitled to request information on the handling of his/her personal information, take a look at the data protection register maintained by the authority stipulated by legislation, take notes or request an extract of its contents, request the correction, deletion of his/her personal information, object to the way such information is handled, turn to a court of law or to the authority stipulated by legislation if his/her rights are violated, and seek damages. Furthermore, the Bank wishes to inform its Clients that its authority to handle their data ensues from



legislation and from the Client's express, voluntary and personal consent pursuant to the Info Act, the Act on Credit Institutions, the Capital Market Act, and the Civil Code.

- 4.1.12. Under the applicable provision of the Credit Institutions Act, apart from the cases described above, neither the Bank, nor any financial institution, payment institution, electronic money institution, investment firm, insurance company, AIFM or UCITS management company that is under the Bank's controlling influence, nor any other business that does not fall into the above categories but is under the Bank's controlling influence and is engaged in activities related to facilitating client access to cashless digital payment services, supporting the economic operation of non-consumer clients with digital solutions or increasing clients' financial awareness and their knowledge of digital financial solutions will have any confidentiality obligation in their relationships with each other in respect of the banking and securities secrets, payment secrets, insurance secrets or personal data handled by them.

The relationship between certain members of the K&H Group qualifies as such controlling influence. The K&H Group is one of Hungary's leading financial service providers. It offers both banking and insurance solutions to satisfy its clients' financial needs: its product range includes not only traditional retail and corporate banking products (account management, investments, savings, loans, bank guarantees, bankcard services, custody, Treasury, project finance, etc.) but also premium banking services, investment fund management, leasing, life insurance, property and liability insurance and securities trading. The K&H Group's goal is to develop and operate a bank-insurance model in Hungary that offers easily accessible products under favorable terms that fully meet the needs of its clients. The relationship described in this section allows and facilitates the accomplishment of all these goals.

The following K&H Group member(s) is (are) regarded as a financial institution, payment institution, electronic money institution, investment firm, insurance company, AIFM or UCITS management company under the Bank's controlling influence:

- K&H Biztosító Zrt. (K&H Insurance)

The following K&H Group member(s) under the Bank's controlling influence is (are) not regarded as a financial institution, payment institution, electronic money institution, investment firm, insurance company, AIFM or UCITS management company, but is (are) engaged in activities related to facilitating client access to cashless digital payment services, supporting the economic operation of non-consumer clients with digital solutions or increasing clients' financial awareness and their knowledge of digital financial solutions:

- K&H Csoportszolgáltató Kft. (K&H Service Center)

In connection with the performance their activities and to the extent required for the provision of their services the above companies are authorized by law to mutually obtain data that fall within the specified category of secrets (including personal data) as well as data classified as business secrets, transfer such data to each other in order to grant access to individual services and handle the data thus received while the client relationship is created and remains in existence. The companies concerned will thus have joint controllership based on mutual data transfer.

Clients will have the right to expressly state at any time that they restrict or prohibit any data transfer described in this section. The statement on the restriction or prohibition of data transfer may be made using any official contact detail of the Bank or the K&H Group member concerned.

The Privacy Policy and the extract from the joint controllership agreement available on the Bank's website provide more information on joint controllership based on mutual data transfer as described in this section.

- 4.1.13. In respect of its clients, the intended recipients of its marketing messages, the visitors to its facilities and other data subjects the Bank handles information classified as "personal data" under Article 4(1) of Regulation (EU) 2016/679, the General Data Protection Regulation ("GDPR"). The Privacy Policy available on the Bank's website and the disclosures made at the start of processes involving data handling provide detailed information on the handling of personal data and the rights and remedies of natural person data subjects in connection with data handling.

## **4.2. DISCLOSURE OF INFORMATION**

- 4.2.1. Based on the Client's instruction, the Bank discloses banking information, which is worded as per the sample text used by the Bank and disclosed to the Client in advance, to any third party. This basic information includes only the general banking evaluation of the Client's financial management.
- 4.2.2. The Bank discloses banking information containing further data as specified above to any third party only if authorised therefore by the Client explicitly in writing and only with the conditions specified in such authorisation. The authorisation may be one-off or relate to a definite or indefinite period of time, and may be general or limited to a specified circle of information recipients, and shall always include unambiguous reference to the specific banking information authorised to be disclosed. The Bank shall immediately inform the Client of any banking information disclosed based on the authorisation, by sending a copy thereof to the Client.
- 4.2.3. The Bank may charge a fee for disclosing basic information or other banking information.
- 4.2.4. The recipient of the information shall treat any banking information in a confidential manner, and shall use such information solely for its own purposes. The Bank shall, in all cases, draw the attention of the party, requesting the information, to this obligation.
- 4.2.5. The refusal by the Bank to disclose banking information shall, in no way, mean an adverse evaluation on the Client, which shall also be communicated to the party requesting the information. Accordingly, the Client shall not make a claim against the Bank in relation thereto.
- 4.2.6. The Bank shall be liable for any damage arising from the use of the information disclosed by the Bank only if it gets proven that the Bank has disclosed untrue information. In relation to the financial evaluation of the Client, the Bank shall be liable only in case of gross negligence.
- 4.2.7. By disclosing banking information, the Bank shall not assume any liability or responsibility for the Client.

## **4.3. CENTRAL CREDIT INFORMATION SYSTEM**

- 4.3.1. The objectives of forwarding to and storing data in the Central Credit Information System (hereinafter: KHR) is to have a closed system database designed for a more differentiated assessment of creditworthiness, meeting the criteria of responsible lending and to help mitigate credit risk to ensure safer operation both for the debtors and the credit institutions. The KHR includes both a negative debtor list and data of positive debtors.
- 4.3.2. Prior to forwarding reference data to KHR, the provider of reference data shall obtain written statements of its natural person Clients whether or not they agree to their data be transferred to another provider of reference data. Natural person Clients may grant such agreement at any time as long as their data are registered in KHR. The Clients' approval is not required for transferring the data managed in compliance with the provisions of a) to c) of 3.3.4. If a Client does not agree to his data being transferred from KHR, KHR shall include the fact that the Client has not given his consent, as well as the data as per Section 1.1, sub-sections a) to d), Section 1.2 and Section 1.5 in Schedule II to Act CXXII of 2011 on the Central Credit Information System (hereinafter: "KHR Act".)
- 4.3.3. The financial enterprise managing the KHR may provide reference data relating to natural persons on the basis of the request submitted by the reference data provider. Data may be requested for the following purposes only:
  - a) making decisions regarding the conclusion of contracts for the credits and loans defined in the Credit Institutions Act, financial leasing, issuance of paper-based cash-substitute payment instruments (for example travellers' checks and bills printed on paper) specified in the Credit Institutions Act and the provision of the services related thereto (which are not recognized as payment services), and for surety and guarantee and other bankers' commitments);

- b) contracts for in the Act on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (hereinafter: 'Investment Services Act') specified investment credit and loan (providing investment loans to investors);
- c) contracts for securities lending as defined in the Capital Market Act;
- d) students' loan contracts identified in legal provisions,
- e) and
- f) the providing of information at the request of the registered person regarding his data in the KHR.

The reference data provider shall provide the data handled by it (i.e. the statutory data of its client if the relevant conditions apply) within five workdays to the financial enterprise managing the KHR. The reference data provider shall keep a record of transfers, the date of transfer and the data transferred.

4.3.4. Even without the Client's consent, the reference data provider shall transfer reference data of a natural person

- a) who fails to meet the payment obligations undertaken in contracts defined in sections a)-d) 4.3.3. and the amount of whose overdue and unpaid debts exceed the lowest amount monthly minimum wage effective at the time of the start of the default and this default in excess of the amount of the minimum wage continues for more than ninety days (data specified in sections 1.1-1.2 of Schedule II to KHR);
- b) who provides false data or uses false or forged documents when initiating the conclusion of the contracts defined in sections a)-d) 4.3.3 if there is documented evidence of the mentioned conduct or for using false or forged documents the court has been established in final judgment according to the effective Act on Criminal Code (hereinafter: Btk) committing the crime of forgery of administrative documents, or use of a forged private document, or criminal offenses with authentic instruments (data defined in sections 1.1 and 1.3 of Chapter II of Schedule to the KHR Act);
- c) in respect of whom the court has been established in final judgment due to the use of cash substitute payment instrument committing the crime of cash-substitute payment instrument fraud or economic fraud resulted particularly considerable financial loss or economic fraud involved a substantial financial loss and it has been committed by either in criminal association with accomplices or on a commercial scale (data specified in sections 1.1 and 1.4 of Chapter II of Schedule to the KHR Act).

The reference data provider transfers the reference data of the enterprise:

- d) that has defaulted on its payment obligation undertaken in a contract defined in sections a)-d) 4.3.3. so that overdue and unpaid debt has been outstanding for more than thirty days (data specified in Sections 2.1 and 2.2 of Chapter II of Schedule to the KHR Act);
- e) that has breached its obligation undertaken in a contract for the acceptance of cash substitute payment instrument as a result of which the contract on the acceptance of the cash substitute payment instrument has been terminated or suspended by the reference data provider (data specified in Sections 2.1 and 2.4 of Chapter II of Schedule to the KHR Act).
- f) against the payment account of which queuing claims in excess of HUF 1 million are registered for an uninterrupted period of more than thirty days due to the lack of funds (data specified in Sections 2.1 and 2.3 of Chapter II of Schedule to the KHR Act);

4.3.5. The financial enterprise managing the KHR handles reference data for five years. After which, and in case of withdrawing the consent for further data handling specified in KHR Act the data are permanently and irrestorably deleted. Regarding the calculation of the term of preserving data, the starting date shall be

- In the above event of a), 4.3.4. if the debt has not been eliminated, the end of year five from the date of the transfer of data as per a), 4.3.4;



- In the above event of d), 4.3.4, if the debt has not been eliminated, the end of year five from the date of the transfer of data as per d), 4.3.4;
- In the above event of b), c) and e) 4.3.4 the date of the transfer of data as per b), c) and e), 4.3.4;
- In the above event of f), 4.3.4, the date of elimination of the queuing of claims;
- the date of termination of the contract of the enterprise on financial services.

The financial enterprise handling KHR shall delete reference data immediately and irrestorably if the reference data provider cannot be identified or if it learns that the reference data have been entered the KHR illegally.

In the event overdue debt resulting from a contract on the provision of data is settled, the financial enterprise handling KHR shall delete reference data defined in a), 4.3.4 immediately and irrestorably a year from the date the overdue debt was settled.

- 4.3.6. The reference data provider informs the natural person in writing of the entering of his data into the KHR in the case defined in clause 4.3.4, point d) thirty days before the planned transfer of data to the KHR if the natural person fails to meet his contractual obligations. Prior to the conclusion of the relevant contract, the reference data provider shall inform the enterprises affected that their data will be transferred to KHR in the event of d)-f) of 4.3.4. The reference data provider shall inform the registered natural persons about the fact of data transfer not more than five bank days after all the data were transferred to the financial enterprise handling KHR. Any person may request information from any reference data provider regarding their data registered in the KHR (client information request). This information is provided free of charge.
- 4.3.7. The registered person may object to the transfer or handling of his reference data and may request the correction or deletion of his data. Objections may be submitted to the reference data provider as well as the financial enterprise managing the KHR system. These parties must inspect the objection within five bank days and inform the registered person of the result of the inspection in writing immediately but within two bank days at the latest. If the reference data provider accepts the objection, it forwards the reference data to be corrected or deleted to the financial enterprise managing the KHR immediately but within five bank days at the latest. The financial enterprise managing the KHR shall correct or delete such data immediately but within two bank days at the latest. The registered person may file action against the reference data provider or the financial enterprise managing the KHR due to the transfer, handling, correction and deletion of his registered data or due to the failure to meet the information obligation. The deadline for filing action is thirty days from the receipt of the information or the expiry of the deadline for providing information. If the registered person is unable to meet the deadline for filing action, this may be certified.

#### 4.4. INFORMATION ABOUT THE SCOPE OF OUTSOURCED ACTIVITIES

With reference to the relevant provisions of the Credit Institutions Act about outsourcing and clause 2.2. and 4.1.10 of the present General Terms and Conditions, the Bank informs the Clients in Annex 1 hereto of the scope of outsourced activities, of the fulfilment of which the Bank involves the participation of performers of the outsourced activities designated and in order to discharge the duties the Bank is entitled to transfer the client data necessary for the parties doing the outsourced activities.

#### 4.5. COMPANY-RELATED DEFINITIONS

##### 4.5.1. K&H Company Group: the Bank and its subsidiaries.

**The Bank:**

**Kereskedelmi és Hitelbank Zártkörűen Működő Részvénytársaság (K&H Bank Zrt)**

Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-10-041043  
 Tax ID: 10195664-4-44  
 Website: <https://www.kh.hu/csoport/bank>  
 Email: [bank@kh.hu](mailto:bank@kh.hu)  
 Telephone: +36 1 328 9000  
 Postal address: K&H Bank 1851 Budapest

**The Bank's subsidiaries:**

- a) **K&H Jelzálogbank Zártkörűen Működő Részvénytársaság**  
 Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-10-048846  
 Tax ID: 25559800-4-43  
 Website: <https://www.kh.hu/csoport/jelzalogbank>  
 Email: [bank@kh.hu](mailto:bank@kh.hu)  
 Telephone: +36 1 328 9000  
 Postal address: 1851 Budapest
- b) **K&H Faktor Zártkörűen Működő Részvénytársaság**  
 Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-10-046363  
 Tax ID: 14738519-2-43  
 Website: <https://www.kh.hu/csoport/faktor>  
 Email: [faktor@kh.hu](mailto:faktor@kh.hu)  
 Telephone: +36 1 328 9911  
 Postal address: 1095 Budapest, Lechner Ödön fasor 9.
- c) **K&H Ingatlanlizing Zártkörűen működő Részvénytársaság**  
 Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-10-045353  
 Tax ID: 13624767-2-43  
 Website: <https://www.kh.hu/csoport/lizing>  
 Email: [lizing@kh.hu](mailto:lizing@kh.hu)  
 Telephone: +36 1/20/30/70 335 3355  
 Postal address: 1851 Budapest
- d) **K&H Autópark Bérleti és Szolgáltató Korlátolt Felelősségű Társaság**  
 Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-09-367796  
 Tax ID: 10770917-2-43  
 Website: <https://www.kh.hu/csoport/lizing>  
 Email: [lizing@kh.hu](mailto:lizing@kh.hu)  
 Telephone: +36 1/20/30/70 335 3355  
 Postal address: 1851 Budapest
- e)
- f) **K&H Csoportszolgáltató Központ Korlátolt Felelősségű Társaság**  
 Registered office: 1095 Budapest, Lechner Ödön fasor 9.  
 Company registration number: 01-09-671000  
 Tax ID: 12372443-4-43



Telephone: +36 1 328 9000

Postal address: 1095 Budapest, Lechner Ödön fasor 9.

- g) K&H Equities Zrt.  
székhely: 1095 Budapest, Lechner Ödön fasor 9.,  
cégjegyzékszám: 01-10-041967

#### 4.5.2. **K&H Bank Group:** K&H Company Group and K&H Insurance Close Company Limited by Shares.

K&H Biztosító Zártkörűen Működő Részvénytársaság

Registered office: 1095 Budapest, Lechner Ödön fasor 9.

Company registration number: 01-10-041919

Tax ID: 10765920-4-44

Website: <https://www.kh.hu/csoport/biztosito>

Email: [biztosito@kh.hu](mailto:biztosito@kh.hu)

Telephone: +36 1/20/30/70 335 3355

Postal address: Budapest 1851

4.5.3. **K&H Brand Group:** *The K&H Bank Group and any other company, that - with the Bank's permission -, carries the brand name 'K&H' in its corporate name or in the names of its products and services or in its advertising.*

4.5.4. **KBC Group:** the KBC Group NV and its direct and indirect subsidiaries, branches, intermediaries and agents. The majority of these are credit institutions, investment firms, financial undertakings, insurance companies and companies providing services to the foregoing (in particular IT service providers, call centres). The entities belonging to the KBC Group can be found in the annual accounts published on the KBC Group NV website ([www.kbc.be](http://www.kbc.be));

4.5.5. **Companies that have close links with the Bank:** the current list of companies that have close links with the Bank is available on the Bank's website pursuant to Section 122 (4) a) of the Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises.

## 5. MISCELLANEOUS AND CLOSING PROVISIONS

- 5.1. The party entitled under the Contract may, without the prior written consent but with simultaneous notification of the other Party, transfer and assign the rights and claims under the Contract, if and insofar as such assignment or transfer is not prohibited by any law applicable to the parties or the legal relationship of the parties, or is not excluded under any specific contractual provision.
- 5.2. Should the Bank or the Client fail or delay to exercise any of its rights, or exercise such rights partially, this shall not be considered as a waiver of that right. The rights of the parties under the Contract shall supplement their rights stipulated in legal provisions.
- 5.3. If the Contract or part thereof, or the execution of the Client's order is illegal, the Bank shall reject the execution of order, and under the conditions of the Contract and of the prevailing legal regulations, shall immediately take any necessary actions to eliminate such illegality in a manner considered by the Bank to be the most appropriate. If any provision of the Contract is or becomes unlawful, invalid or unenforceable, neither the legality, validity nor the enforceability of the remaining provisions shall be affected or impaired thereby, unless the Contract cannot be performed without the invalid provisions.
- 5.4. If the Contract has been compiled, in addition to Hungarian, in any other language, and any difference exists between the Hungarian and the foreign language version, the Hungarian version shall prevail.



- 5.5.** Apart from the exceptions stipulated in legal regulations, the Bank shall only accept documents prepared by the National Bureau of Translation and Translation Authentication (OFFI) as authenticated translation, authentication of translations, and authenticated copies in a foreign language.
- 5.6.** Unless they are proven to be incorrect, the financial books of the Bank or its Proxies, and the official documents and records of the Bank or its Proxies shall be authoritative regarding the recording and settlement of any cash flow in relation to executed orders or the Service(s) delivered by the Bank, as well as regarding documents and notifications prepared by the Bank about the Client's debt, about the forwarding and receipt of notifications, or about other Client-related circumstances.
- 5.7.** With respect to any legal disputes that may arise between them, the Bank and the Client shall aim to settle such disputes amicably and in compliance with the provisions of the General Terms and Conditions, and are entitled to initiate an agreement with the co-operation of a jointly appointed expert or other reconciliation forum. Should this action fail to be successful, the Bank and the Client are entitled to take the case to the competent court. Unless otherwise provided by applicable law or by a mandatory provision of an international agreement and unless separately regulated by an individual agreement concluded with the Client, any dispute between the Bank and the Client will by default be decided by the courts of Hungary.