

ON THE CHANGE TO LEGISLATION RELATED TO THE EMPLOYER'S HOUSING GRANT

Dear Client,

We hereby inform you that 30 December 2016 was the date when Decree 66/2016. (XII. 29.) of the Minister for National Economy (MNE) on the amendment of Decree 15/2014. (IV. 3.) of the MNE disbursement rules of tax exempt employer's housing grants came into effect.

Under this, Section 2 (1) of Decree 15/2014. (IV. 3.) of the MNE (hereinafter "the Decree") is supplemented, with retroactive effect as of 4 April 2014, with the provision that the transfer of the grant by the employer can take place upon the disbursement of tax-exempt employer's housing grants, in those cases specified in the Decree (for grants awarded for the acquisition of an ownership right to a home located within the country and of the land use right connected to it, through a sale and purchase contract or other indenture) to a current account specified by the seller in the a sale and purchase contract or other indenture).

This legislative change implies an additional option but no adverse effect for you; however, it affects the cooperation agreements concluded with you for the disbursement of employer's housing grants, and the related pooled corporate payment account contracts concluded in this context.

In future, the above documents are considered valid with the content specified in the Decree, automatically, without any separate amendment, by virtue of the Decree, i.e. the amount of the tax exempt employer's housing grant can be transferred, in those cases specified in the Decree, directly to the account specified by the seller, from a sub-account opened for this purpose.

Since the Bank needs to be able to issue a certificate to the NTCA on the new type of grants, please indicate in the remark field of the bank transfer, the name of the beneficiary employee, in addition to his/her tax identifier, in accordance with Section 2 (4) of the Decree.

Budapest, 21st February 2017

UniCredit Bank Hungary Zrt.