

The purpose of this glossary is to provide general and understandable explanations for the most important terms and definitions used in practice in relation to the services offered by UniCredit Bank Hungary Zrt. to its retail clients (especially related to retail lending, bank account management, bank cards and electronic channels). These explanations have been prepared for the sole purpose of providing information to our clients and cannot be considered as an exhaustive list.

<b>Account holder</b>	Any natural person or legal person or business association without legal personality that is classified as micro enterprise, to whom/which the bank provides a payment service and who/which has an effective bank account and consolidated securities account agreement with the bank, or is a card holder with a credit card agreement.
<b>Account statement date (for credit cards)</b>	The bank prepares the account statements on the last day of the settlement period, which is the same calendar day in each month, or the previous banking day when otherwise the date of the account statement would not be a working/banking day.
<b>Additional floor building</b>	Pursuant to the legal regulation on state subsidy for housing loans for young people, an additional floor is the vertical expansion of an existing building by increasing its height (by at least 1.90 meters, measured on the inside walls) in order to create a new level in it.
<b>Alienation and encumbrance prohibition</b>	If the prohibition is applied, the ownership title of the property cannot be transferred to any third party and the property cannot be offered as collateral either (e.g. the subject of a mortgage). The prohibition may be based on the law, a court decision or an agreement. However, for example, a sale and purchase agreement can be concluded for the property with the consent of the beneficiary of the prohibition (a bank or the Hungarian State). The prohibition may only apply to alienation, prohibiting only its transfer but not an encumbrance.
<b>Announcement</b>	The notice displayed in branches and defined by law, containing the interest rates, service fees and charges, and other expenses payable by the debtor.
<b>Annual deposit interest rate</b>	It shows the yield the bank will credit on the client's account in a year, if the client invests a particular amount into a particular deposit instruments.
<b>Annuity</b>	A method of repayment that allows the client to pay the same amount in the currency of the loan each month. An annuity repayment consists of principal and interest, but in the monthly repayment the ratio of interest to principal changes. The repayment contains more interest at the beginning of the term, and more principal towards the end of the term.

<b>Appraisal</b>	An expert opinion issued for the property offered by the clients as collateral (to be encumbered with a mortgage, establishing the market value and collateral value of the particular property. The bank accepts the appraisal prepared by appraisal firms approved by it in the credit approval process.
<b>APR</b>	<p>The rate of the total fee of the loan compared to the total amount of the loan, expressed as an annual percentage. The total fee charged on the loan includes all items of consideration which are known to the lender, which must be taken into account for the calculation of the Annual Percentage Rate according to specific legislation and which are payable by the debtor under the loan agreement.</p> <p>For a credit card, the APR is the rate of the total fee for the credit compared to the total amount of the credit, expressed as an annual percentage. For a credit card, the total fee charged on the credit includes all items of consideration which are known to the creditor, which must be taken into account for the calculation of the Annual Percentage Rate according to specific legislation and which are payable by the debtor under the Credit Card Agreement.</p>
<b>Assignment</b>	<p>The bank may assign its receivables from the client to a third party without any further declaration from the client.</p> <p>If the bank assigns its receivables from the client to a third party, it is not obliged to notify the client if the bank continues to proceed towards the client as creditor even after the assignment of its receivables pursuant to the agreement concluded with the third party. The obligor may make payments to the assignor until the respective notification and then only to the assignee (as the new beneficiary). As the assignee replaces the old beneficiary, it shall also have the rights and obligations of the old beneficiary.</p>
<b>ATM</b>	“Automated Teller Machine” (ATM) is an electronic terminal providing various services based on the concurrent use of a bank card and PIN code: cash withdrawal, balance enquiry and purchase transactions (e.g., mobile phone top-up). The fees and method of transactions executed on an ATM are included in the currently effective list of conditions of the Bank issuing the bank card.
<b>Authorisation</b>	The loan and pledge agreement, the public notary’s debt acknowledgement declaration, all the applications for the bank’s services and the pertaining contracts can also be signed by the person authorised by the client. In order for the signature of the authorised persons to become valid, the authorisation has to comply with certain formal conditions defined in the legal regulations and it must contain the specified elements.

<b>Authorisation procedure</b>	A message sent by the bank as financial service provider issuing the bank card or by its agent to the place of acceptance, in which the transaction is authorised or rejected based on the request for authorisation.
<b>Automatic collection (for credit cards)</b>	This service is associated with a credit card, the client can give an order for the collection of either the minimum amount or the total credit card debt of the client from the current account. The related fee is included in the effective list of conditions prepared for credit card holder clients.
<b>Available credit line (for credit cards)</b>	The amount available for the card holder(s) from the credit line associated to the credit card on a particular date.
<b>BAMOSZ (Association of Hungarian Investment Fund and Asset Management Companies)</b>	BAMOSZ is an organisation founded by Hungarian investment fund managers to represent the interests of fund management companies and to support professional education. In its Code of Conduct it makes professional recommendations and lays down standards; the organisation is involved in drafting legislation on investment fund management; it ensures fair competition and promotes market development.
<b>Bank account number</b>	The bank account number is a number issued for the identification of the client, which is officially known as a bank account number and contains 16 or 24 numeric characters.
<b>Bank card or card</b>	A 86x54-millimetre plastic card issued to the card holder based on the account holder's request by the Bank, carrying the logo of the Bank and/or international card company, equipped with a magnetic stripe and/or a chip data carrier, as a cash substitute, electronic payment instrument, which is acceptable at designated places to pay for goods and services and/or to withdraw cash.
<b>Bank ID:</b>	The Bank ID is not the same as the SWIFT (BIC) code. The former is only a supplementation of the SWIFT (BIC) code, which is rarely required.
<b>Banking day</b>	Any working day which is not a bank holiday.
<b>Benchmark (Reference index)</b>	A benchmark is an indicative yield or market index to be used as a basis of comparison against which the performance of a portfolio or investment fund is measured.
<b>Beneficiary (in life insurance)</b>	The individual designated in the life insurance agreement as the beneficiary of the sum insured. It may be the insured party or any other person, or the party presenting the life insurance policy. If there is no beneficiary (or the beneficiary's heir) in the agreement then xxx will be entitled to be the insured

	<p>sum.</p> <p>The designation of the beneficiary by the contracting party is one of the most significant moments of entering into a life insurance agreement. The contracting party may designate a beneficiary with a written declaration addressed to the insurance company. If the contracting party and the insured party are different, the consent of the insured party is required both for entering into the contract and for designating the beneficiary.</p> <p>If the contracting party made a written declaration to the beneficiary undertaking to maintain the designation of the beneficiary continuously, the beneficiary's designation cannot be withdrawn or changed (only with the beneficiary's consent). The insurance company must also be notified of that commitment.</p>
<b>BÉT (Budapesti Értéktőzsde Zrt.) (Budapest Stock Exchange Ltd. BSE);</b>	<p>The most important task of Budapesti Értéktőzsde Zrt. is to provide a transparent and liquid market for securities issued in Hungary and abroad. As the main actor in the Hungarian money and capital market, the Stock Exchange enables economic operators to raise funds and offers effective investment opportunities to investors. By concentrating demand and supply, it provides public information on the prices of the traded products.</p>
<b>BEVA (Investor Protection Fund)</b>	<p>Investors are protected by the Investor Protection Fund (BEVA) created by the business association engaged in investment services. BEVA pays compensation of up to twenty thousand Euro per client and per investment service provider. The amount of compensation paid by the Fund is 100 per cent up to one million forints and, for amounts over the one-million forint limit, one million forints and ninety per cent of the amount over one million forints.</p>
<b>Blue chip stock</b>	<p>The term blue chip refers to large companies that have predictable stable growth and/or pay out large amounts of dividend. The blue chip companies listed on the Budapest Stock Exchange are Magyar Telekom, MOL, OTP and Richter.</p>
<b>BUBOR</b>	<p>Budapest Interbank Offered Rate. The banks use the Budapest interbank offered rate as a reference rate for loans, and express the interest rate in the following way: BUBOR+30 basis points. One basis point equals 1/100 of one percent.</p>
<b>Business credit card</b>	<p>A credit card issued by the bank pursuant to a credit card agreement or credit card agreement for a business credit card, concluded with its clients classified as business associations according to the Civil Code, and with churches and non-profit organizations.</p>
<b>Business debit card</b>	<p>A debit card which is issued by the bank to legal persons and other business associations for bank accounts managed by the bank. A bank card issued to</p>

	individuals and which may only be held by natural persons.
<b>BUX</b>	The official stock index of the Budapest Stock Exchange (BÉT), which reflects the average variation of the prices of the shares generating the largest turnover in BÉT's equity section.
<b>Capital Market Act (Tpt.)</b>	Act CXX of 2001 on the Capital Market.
<b>Capital protection</b>	The fund manager may promise to preserve the capital in compliance with the provisions of the law. The fund manager supports capital protection with an investment policy and provides detailed information about it to the investor.
<b>Cardholder</b>	The account holder natural person (main cardholder) or a natural person authorised to use the card by the main cardholder (co-cardholder) or a natural person authorised to use the card by the account holder legal person/organisation, who is entitled to use a certain type of bank card issued by the bank. The cardholder is entitled to use the card when the bank accepted the bank card/credit card application and entered into a bank card/credit card agreement with the account holder (with a declaration of consent provided by the legal representative for minors aged between 14 and 18 simultaneously with the opening of the bank account).
<b>Card issuer fee, card membership fee</b>	After issuing the card, the bank may charge a card issuer/membership fee. The bank debits the issuer fee for debit cards on the account holder's account simultaneously with the approval of the card application, and debits the membership fee simultaneously with the renewal of the card or, if the card has been issued for several years, annually and retrospectively. For credit cards, the issuer fee is due when the card is activated and then, in the case of card issued for several years, the membership fee is also due retrospectively and annually, on the first banking day of the month of the expiry of the card as indicated on it.
<b>Card renewal</b>	When the Cardholder complies with the conditions in force and has not indicated otherwise to the branch no later than by the last day of the month prior to the expiry of the card, the Bank shall issue a new card with legal succession on the date of expiry following a positive outcome of the debtor rating process. If the cardholder does not wish to use the card until the expiry date indicated on it, the bank card agreement with the bank shall be terminated, otherwise the bank shall consider that the card holder submits the termination notice on the expiry date of the card.
<b>CCIS (Hungarian abbreviation: KHR)</b>	The Central Credit Information System is a database created pursuant to the law, which contains natural persons (debtors) and their defaults in the

	<p>obligations undertaken in their loan, credit or credit type agreements concluded with financial institutions in an amount that exceeds the minimum wage for more than 90 consecutive days.</p> <p>A natural person may be entered into the CCIS database even if they do not have any payment obligation from a loan or credit agreement, if they (1) provide false data or use a false or forged document when proposing the conclusion of a loan agreement and there is documentary proof thereof, (2) commit a bank card fraud (by using a stolen card/data), (3) are late with the payment of their credit card debts.</p> <p>This debtor registration system was created by the financial institutions with the technical contribution of BISZ Zrt., and is managed by them in order to mitigate their credit risks, and therefore only they have access to the data contained therein.</p> <p>Once a year each debtor can request information about their data included in the database free of charge. If anybody thinks that they have been unjustifiably entered into the database then they may raise an objection to the financial institution entering their data into the CCIS system, or through BISZ. The data centre must investigate the complaint within fifteen days and inform the client of the outcome in writing. If the submission is accepted, the data must be deleted from the list within two days.</p>
<b>Central depository</b>	<p>KELER Zrt. (Central Clearing House and Depository (Budapest) Plc.) was founded in 1993 by the National Bank of Hungary (50%), Budapest Stock Exchange (25%) and Budapest Commodity Exchange (25%). KELER provides “quasi wholesale” services and an infrastructure to the actors and intermediaries of the Hungarian capital market. Its direct partners include investment firms, credit institutions, commodity dealers, investment fund managers, organised market actors (energy market and, since 1 July 2010, the gas market) and the issuers of securities. The clearing house facilitates risk free, fast and effective settlement of the securities trading transactions of the market actors, i.e. the exchange of cash and securities.</p>
<b>Charge card</b>	<p>A bank card, which is covered by a credit line, in relation to which the account holder must settle the total debt prevailing at the end of the given month from the bank account kept by the Bank by the date specified in the agreement. If the debt is settled within that deadline, the bank does not charge interest on the respective expenditure.</p>
<b>Civil Code</b>	<p>Act V of 2013 on the Civil Code effective from 15 March 2014          (Until 14 March 2014 Act IV of 1959 on the Civil Code of the Republic of Hungary)</p>
<b>Client enquiry</b>	<p>The law allows clients to enquire, free of charge, once a year, about their data included in the Central Credit Information System. This right to make such an</p>

	enquiry may be exercised through any credit data provider by using a form, i.e. a client enquiry form, dedicated to such purposes. The client receives the response by post, in a document posted with a delivery certificate.
<b>Client number</b>	An 8-digit code for identifying the Account Holder at the Bank.
<b>Closed-end investment fund</b>	Investment units issued by closed-end funds cannot be redeemed during the term, although they can be sold on the stock exchange after the subscription period, if the fund operates as a public fund.
<b>Co-card holder</b>	The natural person who is entitled to use the card by the account holder (main card holder).
<b>Co-debtor</b>	Any natural person who has joint and several liability with the debtor for the repayment of the loan and its additional expenses (having the same liability as the debtor). The debtor's obligations apply to the co-debtor in the same way and to the same extent.
<b>Collateral</b>	All assets, asset elements and other collateral items (e.g., joint and several guarantee) which are listed in the client's agreement and the collateral agreement attached to it and which secure the performance of the debtor's obligations arising from the loan agreements or, in the event of default, enable the bank to recover the amount of the disbursed loan.
<b>Collateral</b>	It is a collective definition, comprising all collateral items (e.g., property, joint and several guarantee, etc.), from which the bank can recover a debt (e.g., a loan), if the debtor/co-debtor does not perform according to the contract.
<b>Collateral deposit</b>	A special type of a lien, which may be established on money, bank account receivables, securities, dematerialised securities and other assets specified by law. The purpose of collateral deposit is to enable the creditor to recover the debt directly from the collateral deposit, if the client/debtor does not make a payment within the deadline. The collateral deposit belongs to the assets of the collateral deposit provider and not to the assets of the bank.
<b>Collateral Register</b>	In addition to the contract establishing a mortgage on a moveable property, right or receivable, it must also be entered into the collateral register. The data entered into the collateral register may be viewed by anyone within a limited scope; however, any entry into the register requires a registration and the validation of the registration in front of a notary public.

<b>Collateral Value</b>	The collateral value is the value of a property established based on a prudent estimate, in compliance with the Decree of the Minister of Finance No. 25/1997. (VIII. 1.) PM. It is established in view of the specific risks deriving from the long term of loans disbursed by the bank and those characteristics of and financial returns on the property which are expected to be due to any owner in the future. This value also affects the size of the loan that may be disbursed.
<b>Collective Investments Act (Kbftv.)</b>	Act XVI of 2014 on Collective Investment Trusts and Their Managers
<b>Commitment period</b>	The period during which the client may use loans from the credit line. The credit or loan may only be disbursed, either in part or in full, during that period.
<b>Construction budget</b>	The budget containing the costs of construction. The budget must cover the main activities, broken down by material and labor costs. The budget must always be a statement of gross amounts, which must also be indicated on it (example “the budget is inclusive of VAT”).
<b>Construction community</b>	A construction community is a type of association, the members of which are engaged in construction on the plot jointly owned by them by using their resources jointly. In the construction community agreement, the members undertake to form a condominium on the erected property. This solution imposes an obligation on the parties to enter into an agreement, which means that, if any party refuses, the others can turn to the court and the court may establish the deed of foundation of the condominium and specify its contents.
<b>Construction permit</b>	A permit issued by the competent construction authority for land transformation, or the construction, conversion, extension, refurbishment, reconstruction, modernisation, demolition, relocation or modification of the purpose of a structure, partial structure or building complex in cases specified by law.
<b>Construction plot</b>	A plot of open land, established in accordance with the construction regulations on an area to be built in, directly accessible by vehicles from a public or private road. Construction may only be carried out on a plot that is equipped with the required utilities. Each plot must have at least potable water and electricity. The construction authority may also set further requirements. No construction can be carried out on any plot that does not satisfy the requirements pertaining to its infrastructure.
<b>Consumer overpayment</b>	Excess consumer payments arising from exchange rate spreads and unilateral amendments deemed unfair under the laws are to be settled by the banks according to the principles and precise calculation methodologies set out in



	<p>legislation. In the course of settlement, our bank will deduct the discounts provided in the given period from the consumer overpayment. These discounts are monetary advantages or benefits (waiver of principal, interest or fees, application of preferential exchange rates) which reduce the consumer's payment obligation compared to that originally specified in the agreement.</p> <p>The consumer's receivable, as the excess payments less the discounts, is offset against the debt outstanding from the loan, and, against the consumer's other overdue debts (if any) to our Bank.</p>
<b>Controlled capital market transactions</b>	<p>Pursuant to the amendment of the tax legislation (effective from 1 January 2014), clients can no longer make declarations for controlled capital market transactions. If certain transactions otherwise falling within the scope of the interest tax also comply with the definition of a controlled capital market transaction, clients can no longer choose to pay tax according to the rules pertaining to controlled capital market transactions. In relation to these transactions, when the bank, as payer, deducts the calculated tax, a natural person can no longer offset the losses and gains of transactions against each other (e.g., the tax on the sale of government securities cannot be offset against a MOL loss).</p>
<b>Conversion</b>	<p>Conversion between different currencies.</p>
<b>Credit capacity</b>	<p>A decision of the financing institution (e.g., bank, leasing company) adopted on the basis of the client's assets, income and risks and which allows borrowing under appropriate terms and conditions.</p>
<b>Credit card</b>	<p>A special bank card, with which the card holder can make payments and collect cash up to the amount of the credit line approved by the bank.</p>
<b>Credit card account</b>	<p>A bank account used for limited purposes, kept in HUF, as the underlying account for credit card settlement. In the course of the ordinary use of the credit card, the bank debits against the credit card account</p> <ul style="list-style-type: none"> <li>▪ the fees, charges and commissions specified in the list of conditions after the first activation of the bank card, and</li> <li>▪ the interest at the end of the settlement period, and</li> <li>▪ default interest for any delay in the payment or the overrun of the credit line whenever it occurs, or not later than on the cut-off date.</li> </ul> <p>The bank executes only direct debit orders according to separate agreement by debiting the respective amount to the credit card account.</p>
<b>Credit institution</b>	<p>Pursuant to the provisions of Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises, a credit institution is a financial institution that collects deposits, provides credit and loans and is engaged in other financial services.</p>

	<p>Only a credit institution may collect deposits, and pursue currency exchange activities. A credit institution can be a bank, a specialised credit institution or a cooperative credit institution (savings or credit cooperative).</p>
<b>Credit Institutions Act (Hpt.)</b>	<p>Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises.</p>
<b>Credit life insurance</b>	<p>Credit life insurance may be taken that provides cover for death. In such an event the beneficiary of the insurance is the bank, so if the client (the insured) dies, the insurance company pays off the client's principal debt owed to the bank, i.e. the borrower's debt is eliminated (assuming, at any time, that the sum insured established during the conclusion of the insurance agreement covers the outstanding principal debt).</p>
<b>Credit line</b>	<p>The bank's commitment undertaken in the credit agreement to maintain a credit line for the client in exchange for a commission and, provided that the conditions of the agreement are fulfilled, conclude a loan agreement with the client or to perform some other credit transaction.</p>
<b>Credit line - for credit cards</b>	<p>A credit line established by the bank for the credit card account holder in the course of the bank's debtor rating process, to provide financial cover for the transaction fees, charges and interest executed with the credit card, in relation to which the bank commits the credit line amount for the client in compliance with the provisions of the framework agreement and applicable business regulations, as well as the list of conditions.</p>
<b>Credit Verification</b>	<p>Credit verification is the process in the course of which the bank establishes whether or not the loan can be disbursed and the amount to be disbursed. The bank assesses the applicant's assets and income, payment discipline and the collateral value of the property securing the loan based on its own Credit Approval Regulations and the applicable legal regulations.</p>
<b>Current account</b>	<p>In everyday use, the current account is a type of account suitable for managing everyday financial transactions (bank account or, according to the terminology of the law, payment account).</p> <p>Pursuant to the provisions of the Civil Code, under a current account contract, the parties assume an obligation to record and settle their enforceable monetary claims arising from a specific relationship in a consolidated account. Consequently, the parties cannot dispose over their individual claims kept under current accounts; their right of disposal applies to the balance of the current account.</p>
<b>Custodian</b>	<p>A bank, central depository or specialised credit institution, which is engaged in custodian services.</p>

<b>Custody account</b>	A custody account is an account on which the funds are considered earmarked funds, which may be used in a specific manner only when the conditions specified in the contract have been fulfilled.
<b>Custody management</b>	Apart from the custody safeguarding of financial instruments, it also includes collection of interest, dividend, yield and repayment and provision of other related services, as well as services related to collateral deposit management.
<b>Cut off time</b>	Deadline for accepting orders for bank transactions, the time until which the Bank accepts orders for the same day.
<b>Debit card</b>	It is a bank card with which the card holder can execute payment orders or collect cash up to the demand balance, or the demand balance plus the credit facility assigned to the bank account, or any other bank account assigned to the card based on the account holder's decision.
<b>Default interest</b>	The interest charged by the bank and specified in the loan agreement in relation to the late payment of any amount under the respective credit or loan agreement.
<b>Delivery agent</b>	Any natural person with a permanent address in Hungary can be a delivery agent. A delivery agent is responsible for collecting documents prepared by the court or any other authority in relation to the operation of the company to be delivered to a foreign party and to forward them to the principal. Whenever the court or any other authority sends a document to the delivery agent, it must be assumed that, upon the regular delivery of the document to the delivery agent, it has become known to the foreign party. Non-resident clients are obliged to and resident clients are entitled to nominate a delivery agent to receive letters from the bank.
<b>Dematerialised securities</b>	When securities are not printed, they are called dematerialised securities. Dematerialised securities are a set of data containing all requirements of securities in an identifiable manner, created, recorded, transmitted and registered electronically as defined in the Civil Code, in the Capital Market Act and in other legal regulations.
<b>Derivatives</b>	An instrument the value of which depends on the value of the underlying investment instrument, foreign exchange, commodity or reference rate (underlying product) and which may itself be traded (derivative).
<b>Direct debit</b>	When the beneficiary (e.g., utility service provider) submits collection orders under the same title, debiting the accounts of various account holders on the same date in batches pursuant to an agreement with the bank and the authorisation of the account holder as payer.

<b>Disbursement conditions</b>	The terms and conditions specified by the bank, without the fulfilment of which the loan cannot be disbursed. These terms and conditions are different for each loan product and they may also depend on individual decisions.
<b>Disbursement date</b>	The day on which the Bank credits the loan amount or a tranche of the loan to the debtor's bank account managed by the bank.
<b>Distribution commission</b>	The transaction fee charged by a distributor (investment firm or credit institution) participating in the marketing of securities.
<b>Distributor</b>	An investment firm or credit institution participating in the marketing of securities.
<b>Diversification / risk allocation</b>	Diversification is one component of the risk management of investments. The invested amount is concurrently placed into instruments of various types and risks in order to mitigate the risks. (Consequently, the portfolio of investment funds consists of tens of, even hundreds of, different instruments.)
<b>Divided use</b>	<p>If the property register of the Land Registry Office contains more than one property under the same topographic lot number, a lawyer must be employed to divide the property for use, so that the bank encumbers only the property or part of the property actually offered as collateral with a lien. If the property is not divided for use, the bank will encumber all properties with the lien in relation to the specific loan.</p> <p>A layout plan may also be prepared for plot segments constituting an indivisible joint property, separating parts of the land used by the individual owners within the plot. The layout plan refers to the plot sections using Roman numerals, indicating their sizes and users. In general, they are prepared as annexes to contracts and may be submitted to the Land Registry Office by the legal representative as an annex to the agreement. The layout plan is not indicated in the registration map or in the title deed, but the annex to the agreement specifies the area used by the particular owners.</p>
<b>Divorcee</b>	Any person who certifies that family status with an effective court decision.
<b>Domestic transaction</b>	A transaction is deemed to have been executed in the domestic territory if both the principal (the bank issuing the bank card) and the beneficiary (acquirer) are companies incorporated in Hungary and which have their sites in the territory of Hungary or have a card acceptance rights in Hungary.
<b>Durable data carrier</b>	Any medium that facilitates the durable storage of the data addressed to the client for a period corresponding to the purpose of the data and the display of the stored data in unchanged format and with unchanged content.

<b>Duration</b>	The mathematical average of the payments of the debt securities held in the portfolio, weighted by the outstanding periods. The key point of payments in time.
<b>Early repayment</b>	A payment that exceeds the monthly repayment and is made by the debtor, guarantor or mortgagor to the bank according to a prior notification of intent in order to reduce or fully repay the principal amount of the loan. A partial repayment can be used to reduce the monthly repayments yet maintain the given term, while the loan agreement can be terminated by repaying the total outstanding amount.
<b>EBKM (AER)</b>	Unified deposit interest rate index (Annual Equivalent Rate). This indicator reflects the actual annual yield of a deposit. Each bank must calculate it according to the same principles, defined in a separate legal regulation. This indicator makes it possible to compare the actual annual yields of deposits offered by individual banks.
<b>Effective</b>	The term effective can have two meanings: a) formal effect: the particular decision cannot be challenged with ordinary legal remedy (appeal, presentation of objections), its most important consequence of enforceability. b) material effect: the resolution is binding for the court, other authorities and the parties.
<b>Electronic bankcard</b>	A bank card produced with gravure printing which is suitable for executing transactions electronically and (potentially) in a virtual acceptance environment in accordance with the list of conditions.
<b>Electronic identification</b>	It is a verification process, within the framework of which the bank and the terminal identify the card holder and the payment transaction using the individual electronic data assigned to the electronic payment instrument.
<b>Electronic order</b>	Form of a payment order submitted by the party disposing over the account to the bank electronically.
<b>Embossed bankcard</b>	An embossed bank card which is suitable for executing transactions in electronic, paper based and virtual accepting environment as well.
<b>Enforcement</b>	The orders of the courts and other organisations deciding a legal debate and the claims that are based on certain documents have to be carried out through judicial enforcement. The rules of these are governing with regard to enforcement on movables and real estate during an administrative enforcement. During the judicial enforcement, it can be ensured, through the power of the state, that a debtor obliged to pay or to behave in a specific way

	will fulfil their obligation.
<b>EURIBOR</b>	The offer rate established according to the rules of the European Central Bank and quoted on the Frankfurt interbank market. The Hungarian financial institutions also use it as the reference rate in Euro loans.
<b>Exchange rate risk</b>	A risk reflecting the fluctuation of the exchange rate of a currency, expressed in HUF. Due to the exchange rate fluctuation of a particular currency (strengthening or weakening), the HUF amount of repayments of the loans denominated in a foreign currency may vary. If the HUF gets stronger, the repayments will decrease, while when the HUF weakens the repayments will increase.
<b>Exchange rate spread</b>	The value of the difference (percentage) between the bank's own FX/currency selling and FX/currency buying exchange rates.
<b>Exchange rate stop/loan with - buffer account</b>	<p>The fixed repayment exchange rate is HUF 180/CHF in the case of the Swiss Franc and HUF 250/EUR for the euro. During the period of repayment at the fixed exchange rate, clients will repay their FX-based loan at this specific exchange rate. Within the instalment, the bank will disburse what is known as a loan with a collection account for the payment of the difference between the fixed exchange rate and the actual exchange rate, for a maximum of up to the highest exchange rate. A separate contract has to be concluded with the bank for this credit line.</p> <p>The loan with a buffer account is an interest-bearing loan which has to be repaid after the application period of the fixed exchange rate, together with its interest (parallel to the repayment of the original loan), in equal amounts (annuity).</p> <p>Within the instalment, the client only has a payment obligation regarding the interest (except for the overdue interest rate) and the management cost up to the fixed exchange rate; the excess will be assumed by the State of Hungary and the bank in equal proportions, up to the highest exchange rate.</p>
<b>Factoring</b>	Factoring means the sale of receivables. The lender sells the receivable to the factor and, from that time, it loses its rights as lender towards the debtor and those rights are transferred to the factor (including the liens).
<b>Financial lease contract</b>	<p>The lessor transfers the asset acquired according to the needs of the lessee and owned by the lessor to the usage and possession of the lessee for the period recorded in the contract with the following conditions:</p> <ul style="list-style-type: none"> <li>• all risks and costs derived from the usage shall be borne by the lessee; the latter is entitled to collect any benefits.</li> <li>• At the end of the contract's period, the ownership of the leased asset is (can be) acquired by the lessee or the person specified by it through the</li> </ul>

	<p>payment of the residual value or without it, and</p> <ul style="list-style-type: none"> <li>the lessee will have a preemption right but the lessee can waive this right prior to the termination of the contract.</li> </ul>
<b>First ranked mortgage</b>	<p>More than one mortgage may also be registered on the same property, which are then ranked on the basis of their dates of registration. This ranking order (the rank of the mortgage) is important because if the debtor fails to settle the debt, the mortgagees can recover their loans following the sale of the property in that order. Banks generally accept only properties that are not encumbered by any mortgage to secure loans provided by them.</p>
<b>Foreign currency</b>	<p>Cash in a foreign currency</p>
<b>Foreign exchange</b>	<p>A claim in a foreign currency (cash substitute, bank account and other cash receivable).</p>
<b>Full repayment at a fixed exchange rate</b>	<p>According to Section 200/B of Act CXII of 1996 on credit institutions and financial enterprises supplemented with Act CXXI of 2011 on the modification of certain laws connected to home protection, the <b>full repayment of FX-based retail loan contracts</b> secured with a <b>lien established on a residential property</b> in the territory of the Republic of Hungary or the joint and several liability of the state takes place at an exchange rate of 180 <b>HUF/CHF</b> in the case of the Swiss Franc and 250 <b>HUF/EUR</b> for the euro.</p>
<b>Fund management activity</b>	<p>An investment fund manager launches an investment fund in compliance with the announced investment principles and sells/purchases the assets included in the portfolio of the investment fund, e.g. financial instruments or properties based on its decisions and in line with the announced investment principles.</p>
<b>Fund manager, Investment fund manager</b>	<p>A company limited by shares or a branch office to pursue investment fund management activities pursuant to the Act on Collective Investment Trusts and their Managers (Collective Investments Act).</p>
<b>Fund(s), Investment fund(s)</b>	<p>The investment fund manager establishes and operates a fund through the public or private placement of investment units i.e., it manages the assets of the fund, comprising the deposits of the investments, in accordance with the announced investment principles in the interest of the investors. The fund equals a set of assets and has legal personality. The investment fund is based on the concept that investors accumulate its capital and then employ an expert (investment fund manager) to invest that capital in accordance with the appropriate regulations. In exchange for their investment, investors receive investment units representing their share in the assets. The value of an investment unit is the same as the net asset value/investment unit.</p>

<b>Futures</b>	They are derivative financial instruments (derivatives) which are used on the stock exchange and refer to the future sale/purchase of an instrument at a certain pre-agreed price. Stock exchange futures are standardised deals, and therefore the seller and the buyer of the deal only defined the price and the number of contracts, while any other detail (e.g., the size of the contract, the time and venue of execution, the quality of the underlying product) are regulated on the stock exchange.
<b>FX based loan</b>	A loan, where the loan amount and the repayment are expressed in a foreign currency, but disbursement and repayments are made in HUF.
<b>FX loan</b>	A loan, where the loan amount and the repayment are specified in a foreign currency and disbursement and repayments are also made in foreign currency.
<b>GIRO-transfer</b>	The bank transmits the HUF transfer order initiated by the client to the beneficiary's payment service provider through the Interbank Clearing System operated by GIRO Elszámolásforgalmi Zrt.
<b>Government Bond</b>	A bond (security) with a fixed interest rate and a maturity of more than one year.
<b>Government securities</b>	Debt securities issued by the Hungarian or a foreign government, by the National Bank of Hungary, the European Central Bank or the central bank of any Member State of the European Union, which are offered to investors with an obligation to pay interest on them in order to finance the national debt. There are short-term (treasury bill, discount treasury bill) and medium and long-term government securities (government bonds) as well.
<b>Grace period</b>	The period during which the client is granted a moratorium on principal repayment, i.e. no principal repayment has to be made; only the calculated interest is payable.
<b>Grace period in relation to a credit card</b>	The period specified in the list conditions that follows the last day of the settlement period (the date of the credit card account statement), by the last day of which the main cardholder shall pay to the Bank at least the amount of the minimum monthly repayment. If the last day of the grace period is not a working or banking day, then the first banking day after the bank holiday shall be considered as the last day of the grace period. The main card holder fulfils the obligation specified herein when the amount payable by them is credited on the credit card account between the first and last days of the grace period.
<b>Hedge transactions</b>	A hedge transaction is a forward transaction with which the investment fund manager protects the assets held in the portfolio of the fund against risks. The risk can be a foreign exchange risk occurring in international funds, which can



	be prevented by selling the same amount of foreign currency as the value of the assets issued in the particular currency (e.g., shares) at a pre-defined future price.
<b>Home Banking (Spectra, Spectra Light and MultiCash)</b>	An electronic banking program for clients, accessible through a telephone line or modem installed on a personal computer or through an internet connection in order to enable the client to dispose over the payment account and to make it easier to send queries about the payment account and other information.
<b>Home extension</b>	Any work performed subject to a construction permit in order to expand the living space (horizontally and/or vertically in relation to the housing function) resulting in at least one more living room. Home extension includes additional building, loft conversion or the construction of additional floors.
<b>Home refurbishment</b>	Construction - assembly work on an existing structure, part of the structure or individually used unit or room to ensure their original usage and operational safety.
<b>Home with comforts</b>	A residential suite is considered to have comforts when it contains at least one living room with more than 12 m <sup>2</sup> floor area, a kitchen and a toilet, utilities (water, sewage, etc.), hot water supply and an individual heating method (gas heating, solid fuelled or oil fuelled stove, an electric stove or boiler, or separate heaters, etc.).
<b>IBAN</b>	An international account number used for indicating account numbers and payment accounts, with the help of which the payment account can be identified internationally. In order to facilitate uniform use, most European countries have introduced an IBAN number (International Bank Account Number).
<b>Imprinter</b>	It is an instrument suitable for manually accepting (on paper) embossed cards (not in an electronic environment).
<b>Income verification</b>	The process during which the bank establishes the credit capacity of a client based on the data indicating their declared and verified income.
<b>Individual lien</b>	A lien may also be established without any personal claim against the pledged property. In such a case, the lien holder may seek satisfaction only from the property encumbered with a lien, to the extent of the amount set out in the lien agreement plus related charges. The individual lien is transferable. As of 15 March 2014 no individual lien can be established, but the previously established individual liens continue to exist without any change.

<b>Institutional investor</b>	Credit institutions, financial enterprises, investment firms, investment funds, investment fund managers, venture capital funds, venture capital fund management companies, insurance companies, voluntary mutual insurance funds, private pension funds, the health insurance administration agency and the pension insurance agency responsible for managing the National Pension Insurance Fund. Furthermore, an institutional investor can also be a non-resident, who/which is deemed as such according to their own specific legislation.
<b>Insured person</b>	Any natural person in relation to whose life and events of physical safety the insurance agreement is established. The insured person and the party entering into the insurance agreement and paying the premium (contracting party) may be different.
<b>Interest free period</b>	For credit cards, the bank grants an interest free period of no more than 46 days for purchase transactions, specified in the terms and conditions from their value date to the payment deadline relating to the respective settlement period, on condition that the client will repay the total amount of the credit line used during the grace period. All transactions, fees and expenses charged to the credit card are purchase transactions, with the exception of cash withdrawal from an ATM or through a POS terminal.
<b>Interest margin variation index</b>	An interest alteration index, serving as the basis of the modification of the interest margin. The National Bank of Hungary publishes the description of the effective interest margin alteration index on its internet pages.
<b>Interest margin:</b>	An amount payable by the client in the interest in addition to the reference rate for credit/loans tied to a reference interest rate i.e., the difference between the interest and the reference rate.
<b>Interest rate alteration index</b>	A publicly accessible ratio that relates to the refinancing costs of lending and is out of the scope of business risk; it expresses objectively the changes to the circumstances which cannot be influenced by, are independent from and cannot be averted by, the lenders and serves as the basis of calculating interest rate modifications.
<b>Interest rate risk</b>	If the transaction interest payable on the disbursed loan is variable, i.e. it is tied to a reference rate, or it varies in each interest period, the client has an interest rate risk related to the interest rate variation. When the interest rate is tied to a reference rate, the transaction interest varies from time to time as the reference rate is also modified in accordance with its term. When the interest is tied to a reference rate, the interest margin and, when the interest rate varies in each interest period, the transaction interest rate may be modified in each, at least 3-year interest period/interest margin period, specified in the agreement. The

	<p>bank may change the interest rate on a maximum of 5 occasions during the term as much as justified according to the interest rate alteration index, specified in the loan agreement and published on the NBH website.</p> <p>If the interest rate decreases, the repayment will also decrease, while when interest rate is rising, the repayment will also increase.</p> <p>If the transaction interest rate is fixed for the entire term, the interest will not change during the term, irrespective of the changes occurring in the money and foreign currency markets during that period.</p>
<b>Interest rate:</b>	<p>(Transaction interest rate) The amount payable by the client to the bank for the credit/loan as a percentage of the loan amount on a time proportionate basis. When the interest rate is tied to a reference rate, the interest rate equals the reference rate plus the interest margin.</p>
<b>Interest subsidy</b>	<p>A type of subsidy provided by the state for the payment of interest on housing loans, and therefore clients need to pay only the interest which has been reduced by the subsidy.</p>
<b>Interest/interest margin period</b>	<p>For loans with interest variable in each interest period, it refers to the period during which the interest rate of the loan does not change.</p> <p>For loans with a fixed interest rate tied to a reference rate, it refers to the period during which the interest margin does not change.</p>
<b>International card companies</b>	<p>For example VISA International Inc. and MasterCard International Inc. An international card company, which may be joined by the bank for performing its bank card related services directly, or may be joined by the bank, pursuant to an agreement concluded with other payment service providers that joined the card companies to perform their bank card related services indirectly.</p>
<b>Internet Banking</b>	<p>The name of the Bank's electronic banking system available through a web browser from the website of the Bank (<a href="http://www.unicreditbank.hu">www.unicreditbank.hu</a>), for delivering instructions regarding an account, as well as making inquiries about account balances and other information. Internet Banking includes the UniCredit Internet Banking and UniCredit SpectraNet Internet Banking services.</p>
<b>Investment advice</b>	<p>Personalised advice for the transaction relating to a specific financial instrument. The publication of facts, data, circumstances, studies, reports, analyses and announcements disclosed to the public and the provision of prior and subsequent information by the bank to the customer pursuant to the Investment Services Act is not investment advice.</p>
<b>Investment policy</b>	<p>The investment policy is designed by the investment fund manager for each managed fund in strict compliance with the fund rules and is then applied in the fund manager's investment decisions. The investment policy presented in the</p>

	fund rules presents, in detail, the principles and strategy according to which the fund manager manages the assets of the investors held in the fund.
<b>Investment Services Act (Bsz.)</b>	Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities
<b>Investment unit</b>	Transferable securities issued as part of a series and offered by an investment fund as issuer in the form and manner specified in the Act on Collective Investment Trusts and Their Managers (Collective Investments Act) and representing the claims and rights towards the investment fund.
<b>Investor</b>	Any person who has entered into a contract with an investment fund manager or an investment service provider to invest and risk the money and/or other assets of their own or of others, for the purpose of making a profit subject to developments in the capital market or at the stock exchange.
<b>ISIN code (International Securities Identification Number)</b>	An international code system used for the clear identification of issued securities, consisting of 12 characters. The first two letters of the ISIN code refers to the issuing country; the rest of the characters are individual identifiers.
<b>Joint and several guarantor</b>	<p>The party who undertakes to the bank to make a payment on behalf of the debtor, if the debtor goes into default (failed to pay the debt arising from a credit or loan agreement on the due date). If the bank deems the property offered as collateral and the credit capacity of the borrower(s) to be insufficient, it may also invite a joint and several guarantor into the transaction.</p> <p>The joint and several guarantee means that the guarantor cannot demand from the bank to collect the debt first from the debtor or the co-debtor; the bank may also directly demand it from the joint and several guarantor. In a consumer guarantee, the consumer guarantee agreement must specify the highest amount up to which the guarantor is liable for the debt.</p>
<b>Joint mortgage</b>	It refers to a mortgage, which is registered on properties recorded on different title deeds and secures the same debt (e.g., debt from a loan) and the entry made in the individual title deeds refer to the joint mortgage. The same amount of mortgage is registered on all properties concerned.
<b>Judicial enforcement right</b>	In the course of a judicial enforcement procedure conducted against the owner of a property, or for the enforcement of a lien registered on the property, it is an encumbrance certifying the seizure of the property by the bailiff, registered in Part 3 of the title deed based on the bailiff's request.

<b>Key investor information</b>	A brief document containing key information for investors about UCITS and other publicly available open-end investment funds.
<b>Lien</b>	The beneficiary of a lien is entitled to seek satisfaction from the pledged property securing its claim defined or definable in money, in the event of the obligor's default, prior to all other claims.
<b>Lien Holder</b>	The party for whom the lien was established or to whom it was transferred i.e., the party that can satisfy its claim from the pledged asset based on the lien. In relation to mortgage credits and mortgage loans, the lien holder is generally the bank providing the credit/loan.
<b>Lienor</b>	The party who offers their own property to secure the repayment of a credit or loan. Once the offer has been made, a mortgage or an individual lien is registered on the property.
<b>Limit</b>	<p>For bank cards it is a transaction limit defined by the bank or the limit amount defined by the account holder for the daily use of the bank card or, in the case of a business credit card, for the monthly use of the card in the cases and manner specified in the list of conditions.</p> <p>In Phone Banking a transaction limit is the maximum amount of a one-off transfer order related to a given account of the account holder that may be given by a specific user. The daily limit is the maximum amount of transfer orders that can be initiated in total on a given calendar day related to a given account of the account holder by a specific user via the Phone Banking system. The Daily Limit is valid from 0–24 hours on a given day.</p> <p>For Internet Banking, the transaction limit is the highest amount for which the user can place an order through the Internet Banking system. The transaction limit applies to all transactions involving direct debits on the given account, except for deposit placement orders, direct debit authorisations and securities transactions (purchase and sale of shares on the stock exchange, investment fund trading, securities transfer). The daily limit is the highest amount for which the user can place an order in relation to a specific account of the account holder, on a given day, through the Internet Banking system. The daily limit applies to all transactions involving direct debits on the given account, except for deposit placement orders, direct debit authorisations and securities transactions (purchase and sale of shares on the stock exchange, investment fund trading, securities transfer). The system will check the daily limit when the order is submitted to the Bank and, based on this, will reduce the amount of the user's daily limit on the given account by the amount of the order on the day of the submission.</p>
<b>Limit, i.e. bankcard usage limit</b>	It refers to the limit pertaining to the transactions, established by the bank and also the amount that the account holder may define, in cases and in the

	manner referred to in the list of conditions, for the daily use of the bank card or, in the case of a business credit card, for the monthly use of the card.
<b>List of conditions</b>	They contain the list of conditions relating to transactions, other than individual transactions, concluded between the bank and the client, as defined in the applicable laws and regulations and in the list of conditions and announcements published in the manner specified in the General Business Terms and Conditions.
<b>Loan Agreement</b>	A loan agreement refers to the agreement concluded between the bank and the debtor on a particular loan (also including state subsidy mediated by the bank) and its annexes, which include: the bank's Business Regulations, General Contracting Terms and Conditions, the Contracting Terms and Conditions for specific loan types, the individual client agreement and the announcement for the particular type of loan.
<b>Logo</b>	Logo identifying the type of the card indicating its scope of acceptance, present both on the bank card and at the places of acceptance.
<b>Long Position</b>	Any position where any increase in the price of the underlying instrument results in future gains in terms of value.
<b>Marginal note</b>	The registration number of the submission must be entered into the title deed (marginal note) on the date of submission and it shall also be indicated in the submission. The marginal note must contain a brief reference to the content of the respective submission. The marginal note on the title deed certifies the launch of a property related procedure for registration, transfer or the addition of a note; however, it does not certify the adequacy of the submission in terms of the law and its content.
<b>Marital Agreement</b>	Only persons intending to marry or married partners can enter into a marital agreement. The basic concepts of such an agreement are the marital community of property and separate property. The agreement is effective as long as the marriage exists (or until the agreement is terminated, if that occurs sooner) and the community of property, established between the former spouses, shall be terminated pursuant to the provisions of the marital agreement after the termination of the marriage. The marital agreements generally contain a list of the separate properties of the spouses in order to prevent any subsequent dispute in that regard. In addition or instead of such a list, detailed provisions may also be included in the agreement stating the party entitled to and the extent of the property obtained during the marriage and the respective methods. A marital agreement is valid if executed in an authentic instrument or in a private document countersigned by a lawyer; otherwise it is null and void. In the agreement the spouses may depart from the general

	<p>provisions of the law and may give entitlement to the property to each other, even in significantly different ratios, but only as long as the provisions of the agreement are considered ethical. The contract is enforceable towards third parties only if it is recorded in the national register of marriage contracts, or if the spouses are able to prove that the third party was, or should have been, aware of the existence and content of such a contract.</p>
<b>Marital Community</b>	<p>Unless otherwise provided by the marital agreement, marital community of property (matrimonial property regime) shall exist between the spouses for the duration of the matrimonial relationship. Consequently, anything acquired either jointly or separately by the parties during the marriage shall constitute indivisible community property, except for those assets that belonged to the separate property of either spouse (asset already existing when the marital community of property is established); any property acquired by gift, bequest, or inheritance, and any received without compensation during the marital community of property; any right of the spouse as the proprietor of intellectual property, except for the royalties due during the community of property; any compensation received for personal injury; personal effects and articles of personal use of customary value; and assets acquired in exchange for the spouse's separate property and anything of value acquired for such property. The proceeds on separate property that remain during the matrimonial relationship after handling and maintenance charges and other burdens are deducted shall be considered as community property. Those assets comprising a part of the separate property of either spouse, which replace any furnishings and household items normally used in everyday life during the matrimonial relationship, shall become community property after five years of marriage.</p>
<b>Maturity</b>	<p>The period specified in the loan agreement during which the debtor must repay the loan.</p>
<b>MiFID</b>	<p>Parallel to the introduction of Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities, regulations corresponding to EU Directive No. 2004/39 on Markets in Financial Instruments (Markets in Financial Instruments Directive – MiFID) were introduced in Hungary on 1 December 2007, to be applied by investment firms and credit institutions already operating at the time of the law entering into force as of 1 February 2008 at the latest. The primary objective of the new law is to unify the provision of investment services within the European Union, and to protect the interests and investments of investors.</p>
<b>Minimum repayment amount and minimum monthly</b>	<p>It is an obligation associated with the credit card service, pursuant to which the main card holder must make the repayment of the outstanding debt at the rate and in the minimum amount defined in the list of conditions into the credit account by the last day of the grace period after the bank has prepared the</p>

<p><b>repayment obligation (for credit cards)</b></p>	<p>credit card statement. The main card holder fulfils this obligation when the amount payable by them is credited on the credit card account at any time between the first and last days of the grace period. Repayments made outside the grace period are not considered contractual performance of the minimum monthly repayment obligation. In the event of exceeding the credit line, the Bank adds the amount of the overdrawn credit line and the amount of either partially or in full unpaid debt(s) relating to the previous settlement period(s) to the minimum repayable amount according to the list of conditions prevailing for the given month and informs the Cardholder of the total amount due by sending them a credit card statement for the given month. If the total debt does not exceed the minimum amount of the monthly minimum repayment obligation defined in the Terms and Conditions, the amount of the total debt shall be the minimum repayment obligation. The minimum repayment shall always be made in an amount rounded up, contrary to the applicable rules of rounding specified in the laws and regulations.</p>
<p><b>Minor</b></p>	<p>Persons who have not yet reached the age of eighteen years are minors except when they are married. If the marriage is annulled by court order owing to the lack of capacity or in the absence of the guardian authority's consent where it is required due to minority, adulthood acquired by marriage shall no longer apply. The dissolution of this marriage shall not affect adulthood acquired by marriage.</p>
<p><b>Modernisation - Pursuant to Government Decree No. 134/2009</b></p>	<p>Installation of drainage, water pipes, electricity and gas pipes or the construction of the internal network of these for the purposes of improving the usage of the home; establishment of a bathroom in an apartment where there was no such amenity; establishment or replacement of central heating, including the application of renewable energy (e.g. solar energy); insulation of the building including heat, noise or water insulation works; replacement of external doors and windows with energy efficient ones; replacement, renovation or insulation of the roof; and any restoration works related to these directly, up 20% of the direct costs of the modernisation.</p>
<p><b>Mortgage (on properties)</b></p>	<p>A mortgage established on the property is the most frequently used collateral in order to secure a loan for a client. When an asset (e.g., property) is encumbered with a mortgage, the mortgage asset will continue to be in the possession of the mortgagor. The mortgagor is entitled to use or utilize the asset for their ordinary purposes, but is obliged to maintain the condition of the asset. Any property may be mortgaged only through an established mortgage which can be effectively created with a respective agreement, as well as the registration of the mortgage in the property register (i.e., the indication of the application for the registration of the mortgage on a marginal note does not yet generate a mortgage).          For real estate, a mortgage may only be established for the entire property</p>



	<p>registered as an individual unit in the property register, or for the whole of a property fully owned by the obligor. Accordingly, if someone owns the mortgaged asset 100% then the mortgage cannot be established for a 1/2 ownership share, but if someone owns 1/2 of the property, a mortgage can be established on the overall 1/2 ownership of the property.</p>
<b>Mortgage bond</b>	<p>Similarly to a long-term bond, a mortgage bond is a registered, transferable type of security, issued by a credit institution specialized in mortgage lending, and secured by real estate.</p>
<b>National Asset Management (Hungarian abbreviation: NET)</b>	<p>The task of the National Asset Management, created within the framework of the Home Protection Action Plan, is the operation of a program that is capable of providing accommodation for those families who are in serious debt due to their mortgage loan repayments and who are exposed due to the economic crisis. The Asset Management purchases the property of the debtors for the state and also ensure the possibility of renting it.</p> <p>The NET program, in line with the government's Home Protection Action Plan, intends to help those debtors who are in greatest need. The program is based on the joint efforts of three players, the debtor, the lender and the State of Hungary. Within this framework:</p> <ul style="list-style-type: none"> <li>▪ the debtor will surrender their ownership of the property but they can remain there as tenants,</li> <li>▪ the State of Hungary will purchase the offered property and</li> <li>▪ the lender will forgive the debtor's remaining debt.</li> </ul>
<b>Net asset value, asset value</b>	<p>The asset value refers to the value of the assets held in the portfolio of the particular investment fund. The value of the assets of the fund, also including receivables from lending, less the total liabilities of the fund, also including accruals, is known as net asset value.</p>
<b>New home - Pursuant to Government Decree No. 134/2009</b>	<p><b>a)</b> a residential unit, built as new from the foundations, or established in a non-detached or semi-detached house, either as an additional floor or attic conversion, adequate for housing according to the requirements of the applicable laws and regulations, after the completion of which a procedure must be conducted to acknowledge its usage in the form of an occupancy permit, a retrospective approval of building permission, or a regulatory certificate,</p> <p><b>b)</b> a residential suite, which is built or ordered to be built by a legal person, a company without legal personality or a private entrepreneur to be sold to a natural person, and</p> <p><b>ba)</b> is sold to a natural person for the first time, or</p> <p><b>bb)</b> is sold to a natural person for the second time, provided that the second</p>

	seller is a legal person, or a company without legal personality, or a private entrepreneur or credit institution engaged in the trade of real estate as a business activity.
<b>Non-resident</b>	A natural person who does not have a valid personal identification document issued by the competent Hungarian authority and is not entitled to hold one.
<b>Notarial deed</b>	It is an official document prepared in the format and with content specified in the Act on Notaries Public, as an authentic instrument certifying the facts contained therein, and that they are true. In relation to lending, the document may be a declaration of unilateral commitment (debt acknowledgement), which captures the client's commitment made in front of a notary public in relation to the loan agreement. In a bilateral notarial deed, the loan agreement itself is notarised, in which case the client and the bank sign the document on the conditions of the loan/repayment in front of the notary public. If the obligation undertaken in a notarial deed (e.g., payment of a debt) is not fulfilled, the claim can be enforced directly, without the involvement of a court, based on the notarial deed.
<b>OBA (NDIF)</b>	National Deposit Insurance Fund (Hungarian abbreviation: OBA) The most important task of the fund is to pay out compensation for the insured deposits to the depositors if the deposits placed with its member institutions are frozen. The current threshold is EUR 100,000, but in Hungary the respective amounts are paid out in HUF.
<b>Occupancy permit</b>	The document that each investor must obtain from the competent authority for the occupancy of a building once the building has become suitable for ordinary and safe use.
<b>On-demand (sight) deposit</b>	An on-demand deposit refers to funds on the current account that can be accessed or disposed of by the client at any time. The bank pays lower interest on on-demand deposits than on fixed, term deposits.
<b>Open-end investment fund</b>	It is an investment fund that issues redeemable investment units in the framework of continuous distribution. The investment units can be redeemed at any time as the distributor is obliged by the law to redeem them.
<b>Order</b>	A purchase/sales order with cover, sent by the client or the intermediary to the securities dealer and accepted and processed by the dealer.
<b>Order of execution</b>	In the order of execution document, which forms an inseparable part of the list of conditions, the bank states the dates i.e., value dates, on which it will perform the tasks relating to the execution of the orders.

<b>Own resources</b>	All resources that are required for achieving the objective of the loan (e.g., home purchase) in addition to the bank loan.
<b>Paper-based order</b>	A payment order submitted to the bank by the party entitled to dispose over the account on a form designated for such purposes.
<b>Password</b>	A series of characters needed for accessing the Internet Banking system.
<b>Payment deadline (for credit cards)</b>	The last day of the grace period by which the repayment must be made or the debt must be repaid. In relation to specific repayments, the business regulations containing the execution dates provide information on the respective payment deadline, and the applicable legal regulations shall be applied.
<b>Phone Banking (UniCredit Phone Banking)</b>	The name of the bank's services available through the phone, in Hungary by dialing 06-40-50-40-50 and from abroad by dialing 00-36-1-325-3200, for delivering orders for an account, making inquiries about account balances and other information, as well as asking questions, making notifications and reporting technical problems and complaints arising while using the service. The Phone Banking Automated System refers to the Phone Banking service, accessible through the bank's computer system. The Phone Banking Operator System is the name of the Phone Banking service provided by the Bank's employees.
<b>PIN code</b>	A secret personal identification code produced for bank cards under strict security rules, which the bank issues to the individual entitled to use the bank card and which enables such individuals to use the bank card in electronic terminals (ATM, in certain cases, POS). In Phone Banking it is a secret number, known only to the user, based on which the user can be identified when they submit orders or make enquiries in Phone Banking. In the Internet Banking service, where the user uses a Token for authentication, it is the code defined by the user to be used for passwords generated by the Token.
<b>Point of acceptance</b>	A domestic or foreign merchant who allows the card holder to use a bank card carrying an international logo to acquire goods or services without any cash payment and payment service providers that allow the card holder to execute transactions with their bank card.
<b>Portfolio</b>	A set of assets, consisting of various instruments, financial instruments or property.

<b>POS terminal</b>	An electronic terminal which is used for payments where a bank card is used instead of cash. A POS terminal verifies the bank card, then registers the information related to the bank card transaction and then transmits the data to the bank.
<b>Pre-authorisation</b>	An authorisation procedure that is not necessarily and immediately followed by the fulfilment of the transaction. Pre-authorisation involves the estimated and not the actual amount of the transaction, with regard to which the estimated amount is blocked in the balance of the underlying account. This reservation means no real debiting, its only purpose is to ensure necessary coverage for effective amount of the transaction to be debited.
<b>Processing date</b>	The date when the bank settles the particular transactions in its account management systems (booking date).
<b>Prolongation</b>	Contract amendment extending the term based on a prior request of the client.
<b>Prospectus / Management Regulations</b>	Whenever a fund is launched, the investment fund manager shall prepare a prospectus and fund rules and submit them to the supervising authority for approval prior to launching the fund. The purpose of preparing these documents is to enable investors to understand in detail the investment policy of the fund, the fees and charges associated with its operation, the method used for the daily valuation of the assets held in the portfolio of the fund, the organisation of the investment fund manager and the custodian and to obtain detailed information about the estimated benefits and risks of the investment. The investment fund manager and the distributors of the investment units must also make the Prospectus and the Management Regulations available for the investors in the ongoing distribution after subscription.
<b>Provisional construction permit</b>	A permit issued by the competent construction authority, based on which no construction work can be performed. If the holder of a provisional construction permit submits an application for a construction permit within one year, the provisional construction permit shall be binding upon the authority, which cannot change a decision on any issue in relation to which a decision was already made.
<b>Provisional occupancy permit</b>	The decision of the competent construction authority, according to which a specific part of a constructed, yet unfinished structure (separate unit) is suitable for its ordinary and safe use even on its own; its use does not disturb the construction works; however, the tasks specified by the construction authority must still be performed before the final permit can be issued.
<b>Redemption fee</b>	An investor must pay redemption fee when they redeem, i.e. cash, their investment units. The commission can be defined as a percentage, as a fixed

	amount, or as a combination of the two.
<b>Reference interest rate</b>	The interest rate available for the public and used as the basis for calculating any interest to be applied; it cannot be influenced by the bank and is used as the basis of calculating the interest on the credit/loan. The bank regularly informs the consumer on any change in the interest rate on its website and in its branches. From 01.02.2015, the bank may only apply a reference rate for consumer loan agreements that is approved by the National Bank of Hungary and displayed on its website.
<b>Relative</b>	Apart from close relatives, relatives also include domestic partners, spouses of the next of kin, the spouse's next of kin and siblings and spouses of siblings. Close relative: spouses, next of kin, adopted children, stepchildren, foster children, adoptive parents, stepparents, foster parents and siblings.
<b>Repayment</b>	The interest payable on the loan and the principal repayment together, paid by the client at a particular frequency and in a particular amount during the term.
<b>Repayment date</b>	The day on which the client must make a repayment of the loan or credit.
<b>Replacement card</b>	A bank card requested and produced at the request of the debit or credit card holder, because the original card has been damaged or lost.
<b>Reservation</b>	The blockage of the amount stated in the request for authorisation from the available balance of the account in the course of the authorisation process. The acquiring financial service provider must provide confirmation for financial settlement or must order the cancellation of the reservation. In absence of these , reservation can remain effective for a maximum of 14 banking business days.
<b>Resident</b>	A natural person who has a valid personal identification document (personal identity card) issued by the competent Hungarian authority or, for persons under the age of fourteen, an official certificate that contains the personal identification number, whether or not one has actually been issued.
<b>Residential property</b>	A constructed structure registered, or in the progress of being registered, in the Property Register as a detached house or a residential suite, villa or mansion. Any edifice which is not necessary for the purposes of dwelling shall not be construed as residential property, even if built adjoining the residential building, such as garages, workshops, shops and farm buildings.
<b>Retail credit card</b>	A special bank card, which is issued by the bank to natural persons for a credit card account kept by the bank.

<b>Retail debit card</b>	A debit card which is issued by the bank to natural persons for bank accounts (more than one, based on the account holder's decision) kept by the bank.
<b>Retention of ownership right</b>	The seller shall be entitled to retain title of ownership until the purchase price is paid in full. In relation to property, this right is registered in Part 3 of the title deed, as authentic proof of the sale for the bank and any other third party. When the total purchase price is paid, the seller shall grant consent to the acquisition of the ownership title by the buyer (in a separate document).
<b>Retrospective approval of construction</b>	A resolution of the competent construction authority declaring the property to be a residential suite, suitable for the purposes of a residential suite. The authority issues this approval if construction was completed without a construction permit or contrary to the permit, yet the property complies with the effective rules and regulations.
<b>Right of preemption</b>	If the owner intends to sell a property encumbered with the right of preemption, prior to the sales transaction, the holder of the right of preemption needs to be asked whether or not they intend to purchase the home under the terms and conditions (e.g., price, etc.) of the contract to be concluded with the potential buyer. If the holder of the right of preemption exercises that right, the sale and purchase agreement must be concluded between the seller and the right holder and not the buyer under the same terms and conditions. If the holder of the right of preemption does not exercise that right or fails to issue a statement on the offer within 8-15 days, the seller shall enter into a contract with the buyer under the same terms and conditions which were also communicated to the holder of the right of preemption. The right of preemption is based on a provision of the sale and purchase agreement or the law.
<b>Savings account</b>	An on-demand savings account offered to natural persons with tier-based interest rates (depending on the amount deposited in the account; the amounts in the various brackets generate interest at different interest rates). The amounts deposited in savings accounts generate a higher yield than on-demand current accounts to clients keeping their savings in savings accounts.
<b>Seceded lien</b>	The bank may offer as collateral any lien established with a lien agreement with the client without any further declaration of the client in that regard to secure a debt to a third party (e.g., refinancing). The transfer of a lien as security does not cause any change for the client until the client is informed of the transfer. When a lien is transferred as collateral, the client's position will not become more encumbered.
<b>Securities</b>	Where a person undertakes a unilateral commitment in writing, made out in a format other than electronic, or in a (dematerialised) document electronically recorded in a securities account to provide either by themselves or by another

	<p>person indicated in the relevant statement the exercise of rights set out in the statement to a person shown as the beneficiary in the document or in the securities account under the conditions laid down in the statement, or to provide the service specified in the document or in the statement recorded electronically to the person shown as the beneficiary in the document or in the securities account, such document or electronically recorded instrument shall be recognised as securities.</p>
<b>Securities account</b>	<p>A set of records on dematerialised i.e., electronically created, registered and forwarded securities and other related rights maintained on behalf of the owner of the securities.</p>
<b>Securities transfer</b>	<p>When an investor intends to move their dematerialised securities between securities accounts kept by two investment service providers, they can do so by simply debiting and crediting the respective accounts. This is known as securities transfer.</p>
<b>Security code</b>	<p>The three-digit number after the card number on the signature panel of certain cards to be provided, when requested, in relation to making purchases on the internet, by telephone or by post.</p>
<b>SEPA transfer</b>	<p>Within the framework of the Single Europe Payments Area (SEPA) the clients of the banks can use cross-border SEPA orders, SEPA transfers and SEPA collection orders to fulfil their payment obligations under the same terms and conditions prevailing in the SEPA countries. In a SEPA transfer, all transactions have the same conditions of execution within the zone. The total amount is credited on the beneficiary's account, i.e. the credited amount is not reduced by the intermediary bank's expenses. The transfer data are also the same: instead of the account number and local bank IDs, the globally controllable IBAN number and SWIFT (BIC) code are used.</p>
<b>Settlement period (for a credit card)</b>	<p>The period for which the Bank shall send to the account holder monthly statements of the turnover of the credit card account and the transactions that have been charged to it. The last day of the settlement period is the same calendar day in each month. The account holder chooses the settlement day from the days provided on the credit card application form when it is submitted. The length of each settlement period is one month, with the possible exceptions of the first and the last settlement periods. The first settlement period starts on the day of entry into force of the credit card agreement and ends on the first subsequent cut-off date. After this, the closing day of the settlement period is always the day of the month that is identical to the cut-off date. If, in a given month, the cut-off date is not a working or banking day then the preceding banking day shall be the cut-off date.</p>

<b>Share</b>	Shares are registered and marketable securities that have a nominal value and represent membership rights in the issuing limited company. They entitle the shareholder to a dividend, to attend general meetings, and to money in the course of winding up (liquidation).
<b>Single person</b>	Any person who is a spinster, bachelor, widow(er) or divorcee and does not have a partner.
<b>SMS services</b>	The name of the bank's service where the Bank, at the request of the account holder, sends information on bankcards or bank/credit card accounts via a mobile telecommunication device by using the short message service.
<b>Specific electronic data</b>	The bank deems the identification data stored in the magnetic stripe or the chip and the PIN code to be specific electronic data.
<b>SSL encryption</b>	A standard security layer (SSL) guarantees the safe operation of the Internet Banking system. The purpose of the SSL is to create an encrypted and secure connection channel for highly secure communication between the user and the bank. The layer can read and process only the encrypted data, sent and received between the two end points, i.e. the bank and the user.
<b>Standing transfer order</b>	The account holder, as payer, orders the bank to transfer a particular amount regularly on particular dates (debit dates). The bank executes the standing transfer order until it is withdrawn by the account holder as payer or until the last debit date indicated in the order.
<b>Statement on foreign exchange risks</b>	Act CLXII of 2009 on Consumer Loans (and, prior to 1 February 2015, the Act on Credit Institutions and Financial Enterprises from 1 January 2005) sets a requirement for agreements on retail foreign currency loans, in relation to which the financial institution must disclose the exchange rate risk to the client associated with the agreement; the acknowledgement must be certified and signed by the client. This is the risk disclosure declaration.
<b>Subscription</b>	Subscription is a process when a prospective buyer wishing to acquire particular securities placed on the market makes an unconditional and irrevocable statement to buy the securities. This statement constitutes the acceptance of the offer and a commitment to provide the consideration.
<b>Supervisory Authority</b>	The National Bank of Hungary is an independent public administration agency, supervising, controlling and regulating the financial intermediary system of Hungary.
<b>SWIFT (BIC) code</b>	Apart from the IBAN number, the SWIFT code (BIC code) of the beneficiary's bank is also required for international transfers. That latter code will facilitate



	<p>the accurate transmission of the message to the beneficiary's bank in international traffic. SWIFT refers to the name of the international inter-bank communication network, while BIC is the abbreviation of the Bank Identifier Code. Both abbreviations have the same meaning. The SWIFT(BIC) code, which consists of either 8 or 11 characters, will always clearly identify the Beneficiary's bank.</p>
<b>Switch and release of collateral</b>	<p>If the new property offered as collateral or the property remaining in the collateral structure has sufficient collateral value and other conditions are satisfied, the Bank may agree, upon the written request of the debtor, to switch collateral items or release a particular collateral item.</p>
<b>Taking possession</b>	<p>It refers to a procedure, in the course of which the property is handed over to the buyer also physically (transfer of the keys), after which the buyer can freely use the property and, unless otherwise agreed, bears the risks and covers the expenses associated with the property.</p>
<b>Tangible debtor</b>	<p>The person who offers a property owned by them to secure the repayment of a loan without being the debtor themselves (liable only through the offered property). A mortgage is registered on the property.</p>
<b>T-day</b>	<p>T-day stands for transaction day, which is the day the transaction takes place; it is not the same as the day when the order is submitted.</p>
<b>Term deposit</b>	<p>With a term deposit the investor fixes the funds for a specific term, based on which the bank pays interest depending on the deposited amount, the term and the currency. Due to the commitment, this type of deposit usually generates a higher interest than on-demand deposits (kept in the current account). A term deposit cannot be terminated at all, or only by losing a large amount or a considerable portion of the interest. A term deposit may be fixed once or on a continuous basis.</p>
<b>Title deed</b>	<p>In the property register, the data of the property, the rights associated with the property and legally important facts, as well as the holders of those rights and their data must be entered and captured on, or transferred to, the title deed as authentic information verified by the title deed.</p>
<b>Token</b>	<p>If the user has opted for the Token authentication method in the Internet Banking or Mobile Banking service, the Token is a physical device, provided by the bank to the user for generating a one-time password in the form of a code number, which depends on the date of use and the serial number of the tool.</p>

<b>Total amount payable by the consumer</b>	The total amount of the loan and the total credit fee.
<b>Total credit line (for credit cards)</b>	The maximum debt amount permitted by the bank for the main card and the co-card. The bank establishes the total credit line based on individual credit approval, according to the credit capacity of the main card holder.
<b>Transaction</b>	A transaction refers to purchases made and cash withdrawn with the regular use of a bank card, purchases made through ATMs (e.g., mobile phone top-ups) and the account debits and credits related to them.
<b>Transaction year (client year)</b>	The full calendar year calculated from the initial date of the term. If the term is longer than one year, each transaction year is calculated from the calendar day, which is the same as the first day of the term.
<b>Transfers</b>	Any payment service executed based on the order of the client as payer, in the course of which the payment account of the client as payer will be debited and the respective amount will be credited to the beneficiary. Regulatory transfers and official transfer orders are also deemed to be transfers.
<b>Travel insurance</b>	Insurance protection automatically related to bank cards or optionally available by card holder, valid abroad and/or domestically, the contracting terms and conditions of which are included in the contracting terms and conditions of the insurance company providing it. The contracting terms and conditions are available on the bank's website and in its branch network.
<b>Treasury bill</b>	A bond is a registered debt investment security issued for a term of one year or less. In Hungary treasury bills are issued and managed by Államadósság Kezelő Központ Zrt., (Government Debt Management Agency).
<b>Undivided joint ownership</b>	Ownership of the same thing, with specific shares, can be claimed by two or more persons. Joint ownership is established on a property when one property, registered under one topographic lot number, is owned by several owners. Even a property in undivided joint ownership, registered under one topographic lot number, may be divided physically and can be used separately. In borrowing, an agreement concluded between partners on the distribution of use (prepared by a lawyer) may specify the parts of the property actually used by the owners of the individual ownership shares.
<b>Unit registration</b>	The expression relates to the registration of condominium units in the property register. It is a procedure conducted by the Land Registry Office, in the course of which the units of a condominium are assigned a "sub-registration" number attached to the registration number of the condominium itself. The sub-

	<p>registration number is the individual topographic lot number of a condominium unit, based on which the unit can be individually identified.</p>
<b>Used Credit Line (for credit cards)</b>	<p>The settled amount used by the cardholders from the credit limit during the effective settlement period, including the cost of transactions made, interest and fees, as well as the amount of any interest and fees charged to previous but still outstanding transactions. The used credit limit does not include the amounts of transactions which were already approved but which have not been settled by the date of the credit card account statement.</p>
<b>User</b>	<p>The person who has access, query and disposal rights over the account holder's accounts, in the phone banking and electronic banking systems in the manner, reported by the account holder to the bank in the contract, established for the service, or on the form used for it, as well as the account holder exercising such rights.</p>
<b>User ID</b>	<p>The user identification code to be used for accessing the Phone Banking an Internet Banking system.</p>
<b>Usufructuary right</b>	<p>The holder of this right may possess, use and utilize a property owned by a third party in accordance with its ordinary purpose. The most frequently used type of this right is the widow(er)'s right, where the surviving spouse has a usufructuary right to the home and the related furniture and other equipment, and other cases when family members give properties to each other as a gift whereby the donor establishes a usufructuary right on the property for themselves.</p>
<b>Value date</b>	<p>The day when the bank considers the debiting and crediting of the transactions on the settlement account completed for the purposes of interest calculation.</p>
<b>Variable interest rates</b>	<p>A loan has a variable interest rate if it is tied to a reference rate, or the interest rate varies in each interest period. If the interest rate is tied to a reference rate, the interest is automatically modified according to the term of the reference rate. If the interest rate is tied to a reference rate, the interest margin (while in the case of an interest rate variable in each interest period, the interest) may only be modified in loan agreements concluded for a term of more than three years, for at least three-year long interest periods. The bank may modify the interest rate or interest margin on no more than five occasions during the entire term of the loan. The bank may modify the loan interest rate by no more than the interest alteration index specified in the contract, while the interest margin may be modified by no more than the rate calculated with the interest margin alteration index.</p>

<b>VIBER</b>	When the VIBER system is used, the bank transmits the HUF transfer order placed by the client to the beneficiary's payment provider through the VIBER system (Real Time Gross Settlement System) operated by the National Bank of Hungary.
<b>Withholding tax</b>	From 1 September 2006, tax is payable on interest income. The tax rate is 20 percent of the interest. Interest income includes any income stemming from various bank deposits, savings deposits and publicly issued and traded debt securities, interest and/or return on investment units, income earned during the redemption, transfer or cashing of securities and income originating from insurance.
<b>Written form</b>	Pursuant to the law, certain contracts must be concluded and declarations must be made in writing. (For example, a framework agreement between the client and the bank can only be concluded and amended in writing.) Primarily, contracts concluded and legal declarations made on paper are considered to be in a written form but, pursuant to the law, any declaration may also be deemed to have been prepared in a written form if certain conditions are fulfilled, if the content can be retrieved in the same form and the party making the declaration and the time of the declaration can also be identified.
<b>Young person – pursuant to Government Decree No. 134/2009</b>	A person raising no more than one child in a household, who a) is a single adult who has not reached 35 years of age when the loan application is submitted, b) is in a marriage, a registered partnership or has a permanent partner but has not yet reached 35 years of age when the loan application is submitted, and whose spouse, registered partner or permanent partner has not reached 35 years of age either when the loan application is submitted.