

# Unicredit Bank Hungary Zrt.'s General Business Conditions for Private Customers

Effective from  
1<sup>th</sup> February 2015

# Unicredit Bank Hungary Zrt.'s General Business Conditions for Private Customers

Effective from 1<sup>th</sup> February 2015

---

## GENERAL BUSINESS CONDITIONS FOR PRIVATE CUSTOMERS

UniCredit Bank Hungary Zrt. (seat: 1054 Budapest, Szabadság tér 5-6., operating licence: I-1400/2001., date of issue of operating licence: 10 August 2001., and I-1523/2003., date of issue: 1 December 2003., respectively; original operating licence no.: F-20/1992., date of issue: 28 February 1992.) (hereinafter: the Bank) provides its services under the conditions regulated in the present Business Conditions (hereinafter: Business Conditions).

In the event that the contractual provisions pertaining to the particular banking service are in contradiction with the

provisions of the present Business Conditions, the contractual provisions of the agreement for the given service shall apply.

For issues not regulated by the present Business Conditions, the General Terms and Conditions, the General Business Conditions Pertaining to Investment Services and Ancillary Services and the Bank Card Terms and Conditions shall apply. The Business Conditions are public information, and may be viewed by anyone free of charge in the branch offices of the Bank open to Customers.

## I. GENERAL PROVISIONS

### I.1. Personal scope of the Business Conditions

With respect to matters not regulated in the specific contract concluded between the Bank and the Customer (hereinafter: Customer) or in the General Terms and Conditions of the Bank, the provisions of the present Business Conditions pertaining to the particular financial services and auxiliary financial services offered determined by the Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (hereinafter: Hpt.) offered shall apply, and, should these regulations have no provisions relevant to the matter, the General Conditions shall be applicable.

### I.2. Definition of the Customer

The Customer is a resident or non-resident natural person concluding contracts with the Bank for the services defined under point I.1. of the present Business Conditions. The Bank shall keep records during the term of the contract or until the complete fulfilment of obligations deriving from the contract, besides the data defined in the General Terms and Conditions, the following data of the Customer: tax identification number, e-mail address, workplace, phone

number, postal address, currency status and, in the case of natural foreign persons, the above information based on the identification document, as well as the place of residence and phone number in Hungary.

For loan and credit transactions the Bank shall also record other particulars of the Customer (especially details of the real estate being the security of credit transactions or the details of other securities), according to the prevailing effective statutory provisions.

### I.3. Administrative procedure and power of attorney

I.3.1. In the case of being obstructed, the Customer may give a power of attorney to another natural person. The Bank accepts the power of attorney in the form of a private deed of full probative value (for credit transactions countersigned by an attorney) or a document prepared by a public notary. The power of attorney shall contain the scope of representation in detail. The Bank does not accept general power of attorneys.

In the case of loans related to the purchase of real estate, no separate document is required when the purchase agreement includes the fact of the authorisation and the formal elements thereof. Letters of authorisation issued during the Customer's permanent stay abroad or issued abroad have to be countersigned by the Embassy/ Consulate of the Hungary, unless international or bilateral agreements stipulate otherwise.

- I.3.2. A written legal statement made by a person who is illiterate or incapable of writing shall be considered valid if executed in an authentic instrument or private deed representing conclusive evidence, where the signature or initial of that person is verified by a court or notary public, or countersigned by a lawyer or witnessed by two witnesses to verify that the person making the statement signed or initialed the document that was drafted by another person before them, or acknowledged the signature or initial on the documents as his own. If the issuer of a document containing his statement cannot read, or he does not understand the language in which the document is made out, the written legal statement shall be considered valid only if the document contains any evidence to suggest that the issuer was educated as to its contents by either of the witnesses or the counter-signatory. For the blind, visually impaired, illiterate and those with hearing impairment, all the necessary circumstances have to be included in the power of attorney described under point I.3.1. and it has to be declared that the person issuing the power of attorney has become familiar with and acknowledges the conditions of the loan application or the transaction the power of attorney is related to. In the event that the power of attorney is issued during the term of the credit/loan transaction, the power of attorney shall contain that the person giving authorisation has been informed about the legal consequences of the authorisation and has given its consent thereto. In the case of illiterate persons and if such declaration of representation is to be filed with the Land Registry, it shall be incorporated in a public deed.

Non-resident customers are obliged, and the resident customers are entitled, to nominate a delivery agent to receive letters arriving from the Bank. If the representative is entitled to sign a contract by the power of attorney, the power of attorney has to be issued in an appropriate document form depending on the document that has to be signed.

#### I.4. Delivery regulations

The written declarations of the Bank addressed to the Customer and duly posted to the postal address indicated by the Customer in the documents filed with the Bank shall be regarded as delivered to the other party even beyond the provisions of the General Terms and Conditions, even if the mail could not be delivered or did not come to the knowledge of the other party:

- a) starting from the date of the first delivery attempt by post;
- b) if this cannot be established, on the fifth working day after the second attempt of delivery;
- c) if even this cannot be established and a second attempt of delivery did not take place, on the day when the post returns the undelivered mail to the sender.

With regard to the relevant provisions on the announcement and delivery of the above declarations, the Customer shall make sure to have a representative or delivery agent under the delivery address who is entitled to receive mails from the execution date until the expiry of the agreement on banking services specified in point I.1.

Failing to do so the Account Holder cannot refer to the absence of such an authorised person in order to gain benefit. The regulations above shall also apply to the delivery agent, with the legal effect applying to the person giving authorisation.

The Bank shall publish the conditions of the relevant Banking product in its Announcement or List of Conditions which, when displayed, are to be regarded as delivered.

#### I.5. Collection of the Bank's claims

- I.5.1. In the interest of collecting its claims, the Bank is entitled to contact the Customer at the contact locations specified by the Customer. The Bank shall enforce the collection of its claims against the Customer within the scope of civil law. If the Customer breaches any of their payment obligations, the Bank is entitled to commission a third person operating a collection agency in order to enforce its claims. Furthermore, the Bank is entitled to transfer its claims and rights resulting from agreement(s) on any banking service provided by the Bank to a third party. The Bank is entitled to charge the Customer with all costs of the collection.
- I.5.2. The Parties agree that if the Debtor has specified a mobile phone number contact, the Bank may inform the Debtor about its next due claim or in case of non-performance about its overdue claims by sending an SMS to the given phone number.

The Bank draws the Debtor's attention to and the Debtor takes notice of the risks inherent in SMS services, especially that the Bank shall not be liable if due to a reason outside the scope of interest of the Bank (among others failing to notify the Bank of the change of phone number provided to the Bank by the Debtor/Joint and several guarantor), any unauthorised third party becomes aware of any information being bank secret forwarded as SMS, and the payment obligations of the Debtor according to the contract establishing the payment obligation shall exist irrespective of an eventually erroneous SMS content or a non-delivery of an SMS.

- I.5.3. If the Joint and Several Guarantor has specified a mobile phone number contact the Bank may inform the Joint and Several Guarantor about the non-performance of the Debtor/Co-debtor and the amount of the insured claim at the time of the notification by sending an SMS to the provided phone number. The Parties Agree that if the SMS was sent certifiably to the mobile phone number provided by the Joint and Several Guarantor to the Bank, the Bank will assume that the Joint and

Several Guarantor had received the information contained in the SMS. The Bank draws the attention of the Joint and Several Guarantor to the fact and the Joint and Several Guarantor takes notice of the fact that the Joint and Several Guarantor is obliged to notify immediately the Bank of the change of his/her mobile phone number under point I.9.1. of the General Terms and Conditions. The Bank furthermore draws the Joint and Several Guarantor's attention to and the Joint and Several Guarantor takes notice of the risks inherent in SMS services, especially that the Bank shall not be liable if due to a reason(s) outside the scope of interest of the Bank (among others failing to notify the Bank of the change of phone number provided to the Bank by the Joint and several guarantor), any unauthorised third party becomes aware of any information being bank secret forwarded as SMS, and the payment obligations of the Joint and Several Guarantor according to the joint and several guarantee contract establishing the aforementioned payment obligation shall exist irrespective of an eventually erroneous SMS content or a non-delivery of an SMS.

## II. BANK ACCOUNT MANAGEMENT

The general provisions under this point contain the general conditions relating to the opening of the payment account and disposal thereof and the general contractual conditions for all products, under the condition that in cases not covered by the relevant contract and the General Terms and Conditions of the Bank, the present general conditions shall apply.

### II.1. Definition of the bank account

The bank account is a payment account (bank account) opened on the basis of a payment account contract (bank account contract), and independently of its name and currency, it is a claim of fund toward the Bank, which, according to the agreement, serves for the execution of payment orders of the Account Holder toward third persons or for the debit or credit of other accounts.

If the Bank Account Contract does not contain an explicit reference on the bank account opened as a transaction account, the bank account shall be regarded as a private customer account.

In the event that the Bank opens the bank account as a transactional account upon the request of the Account Holder, the provisions of the present Business Condition shall not apply.

### II.2. Notification of the Customer

The Bank shall inform the Customer about the account balance of the private bank account and the amounts credited or debited to the Customer's private bank account in line with the periods specified in the Bank Account Contract, in accordance with the provisions of the legal regulations on monetary circulation being effective. The legal effect of the above information shall be identical to the legal effect of the account balance report specified in point III.1.179 of the General Terms and Conditions.

### II.3. Opening an Account

II.3.1. Resident and non-resident natural persons (referred to as Account Holder following the account opening) may announce their request for account opening at any branch office of the Bank upon which the Bank shall conclude a contract with them.

The Bank opens the account under the name of the Account Holder. A bank account can only have one owner.

Upon the request of the Account Holder the Bank

may open an indefinite number of Bank accounts in different currencies.

The precondition for opening a bank account is the submission of the documents of identification prescribed by law by the Account Holder, or, if the Account Holder is a minor, by the legal representative and the guardian of such minor and the specimen signature, so that the Bank may identify them according to the relevant statutory regulations.

The Bank Account Contract comes into force by the Bank and the Account Holder signing it. In the event that the Account Holder is a minor, aged between 14-18 years, both the legal representative and the Account Holder shall sign the Bank Account Contract.

II.3.2. Natural persons who are minors and aged between 14-18 years may enter into a Bank Account Contract and banking service agreements related to the account jointly with their legal representative, and may assign a Beneficiary, and a Person with Disposal Rights or Proxy also only with the consent of their legal representative. The electronic services attached to the account opened by a minor are the following: Telephone banking, Internet Banking, Text message (SMS) service, electronic debit cards.

II.3.3. The Bank does not provide retail banking services to natural persons aged under 14 years, except if expressly stipulated in any business conditions.

II.3.4. In the event that the court prescribes the placement under guardianship or conservatorship (in respect of certain specific matters) of any natural person in its final decision and the Guardian Court appoints a guardian based on the final court decision, the Guardian Court shall specify the guardian's scope of authority, which shall also be binding in terms of disposing over the bank account.

### II.4. Assignment of Persons with Disposal Rights, Proxies and Beneficiaries

II.4.1. The Account Holder may assign to other resident or non-resident natural person(s) the right of disposal over the Bank account (hereinafter: Person with Disposal Rights). The Person with Disposal Rights can be assigned only personally at the branch office

in the presence of the Account Holder and the Person with Disposal Rights, with the latter presenting appropriate identification.

The Account Holder may withdraw their Disposal Rights over the Disposal Account in any of the bank branches in person, at any time. If the Account Holder submits their declaration on such a withdrawal in their own account managing bank branch, the provisions of the said declaration shall be deemed effective from the next banking day following the date the Bank becomes aware of such provisions, while if the declaration is submitted in another bank branch, they shall become effective on the second day following the receipt thereof by the Bank.

The Account Holder shall make sure that the Person with Disposal Rights is familiar with the Business Conditions.

For any damage arising from the negligence of this duty, only the Account Holder can be made liable. The Person with Disposal Rights is not entitled to assign the right of disposal over the account to any other person or appoint a beneficiary, to dispose over the account through a representative, terminate the Bank Account Contract or modify the conditions chosen by the Account Holder.

The fees of transactions executed by the Person with Disposal Rights, including the fees and costs of transactions executed with banking cards issued for the account of the Account Holder, shall be debited to the bank account of the Account Holder without their specific consent.

For transactions executed by the Person with Disposal Rights and claims originating thereof on the Account Holder's bank account, the Account Holder shall be liable.

II.4.2. In the case of being obstructed, the Account Holder may give a power of attorney incorporated in a public or private deed of full probative value to a third party.

The power of attorney shall include the name of the Bank, the full name of the Account Holder, the number of the Private Customer Account, the circumstance whether the Proxy (hereinafter: the Proxy) is entitled to execute one or several transactions and the exact definition of the transaction to be executed.

Unless provided for otherwise, the Bank shall regard the authorisation as effective until it is withdrawn in writing.

The Proxy is not entitled to assign a Person with Disposal Rights or a beneficiary to the bank account, issue authorisation to other persons, terminate the Bank Account Contract and order for themselves a banking card belonging to the account.

II.4.3. After the Bank receives information about the Customer's death by any means, it shall be entitled to suspend the disposal rights of a Person with Disposal Rights and Proxies.

When the Bank receives definitive proof of a Customer's death, it shall regard the disposal rights of the Person with Disposal Rights and Proxies as terminated as of the day of the death.

II.4.4. The Account Holder shall be entitled to appoint beneficiaries (hereinafter: **Beneficiary**) of their bank account, by defining their share of participation. If a **Beneficiary** is appointed, the credit balance share designated to the Beneficiary shall not belong to the estate of the deceased Account Holder. The Bank shall pay to the Beneficiary the credit balance after the fact of death is reliably proven, but without carrying out the probate of the will.

The appointment of a Beneficiary can be withdrawn by the Account Holder without any time limitation at all times, and they are entitled to appoint a new Beneficiary and change their participation share as well. In the event that the Account Holder appoints several Beneficiaries without defining their shares to the Private Customer Account, their participation share shall be equal among the Beneficiaries.

In the event that the Beneficiary deceases prior to the Account Holder's death and the Account Holder does not provide subsequently for the participation share of the deceased Beneficiary, this part of the account balance shall belong to the estate of the Account Holder.

II.4.5. The Account Holder may use the account using the Bank's appropriate forms or through the persons defined under points II.4.1. and II.4.2., as well as with any related contract concluded by electronic means in a manner and under the conditions specified in the contract. These forms are provided by the Bank to the Account Holder upon request in the account managing offices of the Bank. Such instructions shall contain the exact name of the Account Holder, the number of the account involved and the signature, in a manner announced at the Bank, of the person(s) having disposal rights over the account, as well as all particulars required by the Bank and the relevant regulations.

Should the Account Holder provide authorisation or dispose over the bank account in a manner that

and content, the Bank may, at its own discretion, perform the instruction.

**II.5.** The Bank shall identify the Customer or the authorised person acting on behalf of the Account Holder by verifying their identification documents as prescribed by law.

**II.6.** The detailed rules on the execution of payment orders are contained in the Bank's General Terms and Conditions.

**II.7.** The Account Holder is entitled to give consent to the payee to execute direct debit payment transaction against his account. The letter of authorisation containing such consent shall specify the name of the payer Account Holder, the account number of the bank account affected by the authorisation, as well as the name and bank account number of the payee authorised to execute the collection based on the letter of authorisation, the expiry date of the authorisation, and where enclosure of a specific document is required, description of this document.

The Bank shall execute the prompt collection order presented against the account earliest on the banking day following the receipt of the authorisation. In the event that the authorisation is valid until withdrawal, the Account Holder shall be entitled to withdraw it independently.

Apart from the authorisation on behalf of the Account Holder, the Bank is entitled to accept prompt collection orders against the Private Customer Account only in the events defined by the relevant legal regulations.

## **II.8. Current Account Credit Line**

The Bank may conclude a Current Account Credit Line Agreement for a definite period of time (one year) extendable automatically each year depending on the yearly review based on the above mentioned agreement the Bank may grant a Credit Line. The amount of the Credit Line shall be revised by the Bank annually.

If the credit balance of the account does not cover the amount necessary for the fulfilment of payment orders, the Bank shall, without the Account Holder's specific instruction, execute the payment orders by debiting the Credit Line. The Bank shall regard the funds necessary for the execution of such orders as Loan, the extent of which may not exceed the current limit of the Credit Line.

is not customary at the Bank but is otherwise in compliance with the requirements both in form

The Bank shall be entitled to use the amount credited to the bank account exceeding the amount of debit entries to be executed on a certain day to pay off the Loan and its Interests granted from the Credit Line.

## **II.9. Termination of the Bank Account Contract**

**II.9.1.** The bank shall not charge an additional fee for the termination of the Bank Account Contract, but the Bank and the Account Holder are obliged to mutually settle their claims.

**II.9.2.** If the Bank Account Contract terminates due to the death of the Account Holder, any positive balance of the account shall be paid out, following the presentation of death certificate and

- in the case of a testamentary order to the assigned Beneficiary(ies) following their identification or
- in other cases to the heir(s), after the identification of the heirs proving their rights in an original deed (original, final notarial perfect grant of probate, a court decision or certificate of inheritance, or, in the case of foreigners, the above-mentioned documents corresponding to their jurisdiction and authenticated) and, simultaneously with the payment, the Bank account shall be terminated.

## **II.10. The Bank's right in case of unilateral modification of other agreements concerning financial services and auxiliary financial services concluded by private person which are not concerned as loan agreement**

**II.10.1.** The modification made unilaterally by the Bank to the advantage of the Customer  
 The Bank reserves the right to unilaterally modify the Interests, fees, costs and other contractual terms to the advantage of the Customer.

**II.10.2.** The modification made unilaterally by the Bank to the disadvantage of the Customer  
 To the disadvantage of the Customer the Bank reserves the right to modify the Interests, fees, costs or other contractual terms in the agreement concerning financial services or auxiliary financial services or makes modification in case the conditions and circumstances determined in Annex No 1 of the present Business Conditions occur. Any changes in the agreement regarding Interest, fees to the

disadvantage of the customers, – unless otherwise regulated in the General Business Conditions or the Bank Card Terms and Conditions – shall be published in the form of announcement fifteen days prior to the effective date of such changes. Furthermore,

in case services are also provided by electronic commerce, the aforementioned changes shall be notified to the Customers by way of electronic communications in easily accessible format.

### III. GRANTING CREDITS AND LOANS

#### III.1. Definitions

III.1.1. **Debtor:** the natural person to whom the Bank makes available a certain sum defined in the Loan Agreement.

III.1.2. **Co-debtor:** a natural person jointly and severally liable with the Debtor.

III.1.3. **Due Date:** the date defined in the Loan Agreement as such, on which the Debtor must fulfil a payment obligation arising from the Loan Agreement.

III.1.4. **Disbursement Date:** the day on which the Bank credits the loan amount – or, in the case of branches, a disbursed tranche – into the bank account of the Debtor kept by the Bank.

III.1.5. **Fixing Dates:** in the case of a General Purpose Loan and also market-rated home loan, after the expiry of the period corresponding to the first Interest Period /term of the Reference Rate, in every year the date identical with the Repayment Due Date in the month identical with the final month of the first Interest Period/term of the Reference Rate, up to Credit Line maturity. If in a particular year there is no day identical with the fixing date, or it is a holiday, then the fixing date shall be the immediately preceding banking day.

III.1.6. **Term:** the Term defined in the Loan Agreement, during which the Debtor must repay the loan.

III.1.7. **Collateral Value:** value of the property securing the loan defined in compliance with the property valuation rules of the Bank.

III.1.8. **Credit Line:** the Bank 's commitment to make a certain sum available for the Debtor in exchange for a commission and to enter into a Loan Agreement or perform other credit transactions from the line subject to certain conditions.

III.1.9. **Loan Account:** a technical account of the Bank used for booking the Debtor's existing debt.

III.1.10. **Announcement:** information displayed in branches and defined under the legal regulations, containing the Interest, service charges and other expenses payable by the Debtor. With regard to loan and credit transactions the Announcement of UniCredit Bank Hungary Zrt. containing the Interest terms and conditions for private individuals shall be applied. Non-distributed credit and loan transactions are regulated by the bank Announcement entitled "Terms and Conditions of NON-DISTRIBUTED PRODUCTS for the private clients of UniCredit Bank Hungary Zrt."

III.1.11. **Interest:** (transaction interest) the sum of money to be paid to the Bank for the Loan by the Debtor determined in the percentage of the loan amount for a specific period of time. In case of Reference-Rate based Interest, the rate of the Interest equals to the aggregate amount of the Reference-Rate and the Interest Margin.

III.1.12. **Interest Margin:** in case of loans with Interest linked to a Reference-Rate, the part of the Interest to be paid by the Debtor in addition to the Reference-Rate, i.e. the difference between the Interest and the Reference-Rate.

III.1.13. **Interest Period:** a period determined in the Loan Agreement during which the Bank is not entitled to unilaterally amend the Interest rate.

III.1.14. **Interest Band:** the interest rate depending on the amount of the disbursed loan.

III.1.15. **Interest modification indicator:** a relative number accessible to the public which serves as the basis for the calculation of any interest modification and which objectively expresses any change in circumstances related to the refinancing costs of



lending and the provision of credit that fall beyond the range of business risks and the control of the Bank, are independent of the Bank, and cannot be prevented or controlled by the Bank.

- III.1.16. **Joint and several guarantor:** a natural person who assumes surety for the repayment of the loan. The joint and several guarantor must perform in relation to the debtor's debt in the same order as the Debtor.
- III.1.17. **Loan:** an amount made available to the Debtor by the bank pursuant to the Loan Agreement, which is payable by the Debtor according to the Loan Agreement.
- III.1.18. **Difference:** for Loans secured with a home savings contracts and life insurance contract the difference between the amount transferred pursuant to the contract indicated above and the Principal Debt.
- III.1.19. **Home Loan Agreement or Home Loan:** Mortgage Loan Agreements – including separate mortgage – where the purpose of the loan set forth in the Loan Agreement is
- purchase, building, extension, modernisation or renovation of residential property or
  - the loan Agreement was concluded after 1st of January 2014 and its justified aim is to replace the loan specified in point a) and the amount of this replacement loan only exceeds the amount of the original loan at the time of the replacement due to the difference of exchange rates applied by the providers of the loans and the justified fees and costs necessary for the closure of the original loan debt and for the disbursement of the new loan.
- III.1.20. **Maturity Date:** The day by which the Debtor must repay all their debt arising from the Loan Agreement.
- III.1.21. **LÜSZ:** Hungarian abbreviation for the bank's present retail business regulations.
- III.1.22. **Reference Rate:** a publicly available interest rate approved by the National Bank of Hungary and published on its website, serving as the basis for the calculations of the applicable interest rate, the measure of which can not be influenced by the Bank and which serves as the basis for the calculation of the interest rate of the Loans with interest tied to a Reference-Rate. The Bank informs the consumer on the change in the Reference Rate on its webpage and in its branch offices.

- III.1.23. **Commitment Period:** in the case of loans to be disbursed in instalments to the debit of the Credit Line, the period open to the simultaneous performance of the conditions of the individual partial disbursement.
- III.1.24. **APR (Annual Percentage Rate):** the total cost of the credit to the Debtor expressed as an annual percentage of the total amount of credit. The total cost of the credit to the Debtor means all the costs, which the consumer is required to pay in connection with the credit agreement and which shall be taken into account when calculating the APR according to a separate regulation.
- III.1.25. **Principal Debt:** the amount of disbursed loan by the first repayment, and then the amount of loan reduced with the principal content of the repayments made by the customer.
- III.1.26. **Repayment:** the amount payable by the Debtor during the term on the Due Date at the frequency and in the amount defined under the Loan Agreement. Unless it is defined otherwise, the repayment contains both the due principal payment and Interest.
- III.1.27. **Grace period:** a period specified in an individual Loan Agreement during which the Debtor is only required to pay the charges on the disbursed Loan without repaying the principal.
- III.1.28. **VDCS and VDCS Top:** (VDCS = Hungarian abbreviation for Corporate Employee Package). A banking product offered to employees of employers having a contract with the Bank.
- III.1.29. **Mortgagor:** owner of the property encumbered with a mortgage – including separate mortgage – for the Bank.
- III.1.30. **Mortgaged Property:** a property securing the Loan, which is encumbered with mortgage – including separate mortgage – established for the Bank.

The definitions of Debtor, Mortgagor, Surety Provider, Mortgaged Property used in these business conditions may also be applied in plural.

## III.2. Introductory Provisions

In accordance with the prevailing statutory regulations and according to its own conditions and rules on credit extension and based on individual credit assessment,

## General Business Conditions for Private Customers

the Bank shall grant and make available to natural persons Loans and credits (and, as the representative of the Hungarian State, it shall provide direct aids for housing purposes prescribed by law and participate in the disbursement of Loans and aids for housing purposes granted by local governments/employers based on the commission of local governments and employers.

### III.3. Application for loans and supports

The Loans and state support can be applied for at the branch offices of the Bank by producing the appropriate forms established for this purpose.

When applying for Loans and state support, the documents necessary for the evaluation of creditworthiness and entitlement have to be attached according to the regulations of the Bank and the prevailing statutory provisions.

### III.4. Disclosure of the terms and conditions of the Loan and Loan Agreement

The Bank gives the Customer an opportunity to study the draft Loan Agreement before its signature and to study the Bank's Announcement, a list of terms and conditions and business conditions containing all the data (including especially the disbursement fee, the Interest rate and management fee and the method of their calculation, the terms and conditions based on which the interest rate, fee and costs can be changed, the definition and amount of applicable expenses, the definition of the required collateral, the legal consequences of late payment and violation of contract, the eventual costs of the modification of the Loan Agreement, the exchange rate risk and factors affecting it, the APR and its calculation method, the fees and charges not included in the APR calculation, and provisions forming part of the agreement pursuant to the applicable legal regulations), based on which the Customer can form their opinion about the transaction.

### III.5. Assessment of applications

The Bank shall decide on credit applications according to its internal rules on credit assessment and the prevailing legal regulations, the state support applications shall be assessed by and based on checking the fulfilment of conditions of entitlements prescribed by the relevant legal regulations. The Bank is not obliged to justify its decisions except from the ones regarding state aids provided according to the Government Decrees No 12/2001, 134/2009, 256/2011, 341//2011 and 57/2012. The Bank shall inform the Customer about the acceptance or the refusal of the credit application – in case of acceptance, about the amount of the Credit Line/Loan approved by the Bank – in case of mortgage

loan agreements in writing, in case of other loan agreements in writing or by recorded phone call.

If the Bank accepts the credit application, the parties of the contract to be concluded with the bank shall – in case of mortgage loans in any case, minimum seven days prior to the conclusion of the agreement, as regards other credit agreements upon request – be supplied free of charge a copy of the draft agreement.

### III.6. Collateral

III.6.1. Besides the relevant personal and other requirements, the Bank may prescribe to provide appropriate collateral for the extension of the Loan.

III.6.2. If the Debtor fails to meet their payment obligations by the date they fall due, the Bank may choose, besides other collateral items, to satisfy its claim for the Mortgaged Property. The Debtor is liable with this total assets to the same extent in which the Bank's claim cannot be recovered from the property(ies) encumbered with a mortgage or separate mortgage or from other collateral items. The Debtor acknowledges that the Bank is not obliged to enforce the collateral through court foreclosure, and, if there are several collateral items, the Bank may also define the order in which it satisfies its claims from the available items.

III.6.3. If the market value of the Mortgaged Property no longer provides sufficient collateral for the Bank because of any changes taking place on the real property market or exchange rate changes in relation to FX-based Loans then the Debtor shall, upon the written request of the Bank, provide sufficient additional collateral to the Bank within 60 calendar days from the receipt of such a request.

III.6.4. The Bank may include as Co-Debtor/Joint and Several Guarantor resident or non-resident natural persons of legal age and capable of acting legally in the loan obligation who have usufruct/dower right of the real estate offered as collateral for the Loan and it may also involve third-party Mortgagors as well.

III.6.5. Minors may only be Mortgagors (i.e. their property encumbered) if the minor is involved in the loan transaction as Debtor, and the Guardian Court approves the declaration of consent for encumbrance of the person acting as representative of the minor and/or the Guardian Court inserts its clause to the mortgage agreement. The mortgage obligation of a minor for any real estate offered can only be

accepted if the minor also acquires an ownership right to the real estate being the purpose of the loan.

III.6.6. Persons of legal age being legally incompetent, and adult persons of diminished capacity regarding the right of disposition over movable and immovable property and any other specific matter affecting the conclusion of the mortgage agreement (hereinafter together: persons under guardianship) may only be Mortgagors (i.e. their property encumbered) if the Guardian Court approves the declaration of consent for encumbrance of the person acting as representative of the person under guardianship and/or the Guardian Court inserts its clause to the mortgage agreement.

III.6.7. In the assessment procedure the Customer shall be entitled to offer or, under an existing loan agreement, shall be obliged to offer to the Bank, upon its request, further security/securities which meet the Bank's requirements and have an appropriate Collateral Value.

#### Collateral Value

III.6.8. The Debtor/Mortgagor shall provide for the maintenance, preservation and protection from damage of assets and rights pledged as collateral in the Bank's favour, as well as of the enforceability of any related financial claims.

III.6.9. Under the validity of the mortgage right the Debtor/Mortgagor shall

- 1) maintain and save the condition of the pledged property, protect it from value depreciation and being damaged, and use it according to the rules of proper management;
- 2) inform the Bank without delay about any circumstances, and physical or legal facts which may detrimentally influence the marketability or the Collateral Value of the pledged property or which may endanger the enforceability of the mortgage/pledge right;
- 3) undertake all necessary steps in the interest of the enforceability of the security agreements and inform the Bank in writing without delay about any insurance event related to the pledged property and ensure that any benefit paid originating from the construction and fitting insurance/property insurance shall be used for the repair of the property under mortgage/pledge; tolerate that, under the term of the mortgage/pledge right, the Bank shall control even on site the existence, the proper use of the property and the fulfilment of obligations originating

from the mortgage agreement and the prevailing legal regulations;

- 4) upon written notice of the Bank, restore within the period defined therein the condition of the pledged property in case the deterioration in the condition of the property may endanger the enforceability of the Bank's claims;
- 5) upon written notice of the Bank, restore the Collateral Value or offer a real estate security acceptable for the Bank if the Collateral Value or marketability of the real estate has deteriorated compared with the value specified in the mortgage agreement and it may endanger the enforceability of the claim;
- 6) inform the Bank without delay if their name and address has changed and if someone, with the exception of the Bank, introduces an execution procedure on the mortgage property, expresses intention to introduce such a procedure, or another Pledgee exercises their right of enforcement without any court procedure.

The Mortgagor(s), during the term of the mortgage, shall not sell, encumber or rent the Mortgaged Property, assign its use or property or possession under any title, transfer either the property right or the right of use of the Mortgaged Property as contribution in kind to a company without the Bank's prior written consent.

The Mortgagor(s) shall carry out any development (building, refurbishment or demolition) exceeding the necessary extent of maintenance (reconstruction) or serving the realisation of the purpose of the loan secured by mortgage only with the prior written approval of the Bank.

III.6.10. The Bank shall be entitled to check, even through on-site inspections, whether the collateral securing its claims is appropriate, and whether the assets pledged as collateral are being properly managed, operated and protected from damage by the Mortgagor.

The Bank is entitled to carry out a valuation or review of a previous valuation, or to have a valuation performed by an expert, on any real estate pledged by the Customer as collateral, both prior to the conclusion of the loan or credit agreement and at any time during the term of the agreement. The value assessment is made by the expert (technical supervisor) of the Bank or by the expert operating a value assessment business and designated by the Bank. The Bank shall be entitled to define those real estate expert(s) the value assessment of which is accepted by the Bank when

granting credits and allowances according to the present Business Conditions.

- III.6.11. All necessary costs, fees and charges in connection with the collateral, its provision, maintenance, management and enforcement; especially with the value assessment, Collateral Value and technical supervision shall be borne by the Debtor(s).
- III.6.12. In case the Bank exercises its right of enforcement by selling the Mortgaged Property without judicial execution if its right of satisfaction regarding the mortgage or separate mortgage has opened – as agreed in the mortgage agreement –, the Bank undertakes to execute such sale publicly.
- III.6.13. The Bank shall be entitled to request as additional security the existence/conclusion of a life insurance/ construction and fitting insurance/property insurance contract.
- III.6.14. The Debtor's obligations with regard to property and life insurance:  
 The Debtor shall insure/have insured the property or assets serving as collateral for the Loan, as well as their assets financed by the loan, and shall take out a life insurance policy if stipulated by the Bank in the contract defining the conditions pertaining to the loan transaction. The Debtor shall be obliged to i) in case of life insurance to designate the Bank/ have the Bank designated as beneficiary up to the extent of its claims and contributions at that time, ii) in case of construction and fitting insurance/ property insurance if the insurance contract is concluded after 15<sup>th</sup> March 2014 have the bank designated as mortgagee (prior to 15<sup>th</sup> March 2014 as beneficiary) and have a separate account specified by the Bank designated as the place of payment for the insured amount.
- III.6.15. In the event that the Debtor already has an insurance agreement acceptable to the Bank, they shall assign the insurance amount up to the extent of the claims and contributions to the Bank furthermore if the insurance contract is concluded after 15<sup>th</sup> March 2014 the Debtor is obliged
  - i) in case of construction and fitting insurance/ property insurance to notify the insurance company of the statutory lien and the place of delivery detailed in point III.6.14,
  - ii) in case of life insurance the Debtor is obliged to appoint the Bank as a beneficiary as per II.6.14 and to undertake the obligation to maintain this

appointment and not to amend it, or withdraw it without the permission of the bank. During the period in which the asset serves as collateral for the transaction, the Debtor may not modify or terminate the insurance contract without the Bank's consent, and upon the Bank's request shall be obliged to present the insurance policy to the Bank and pay the insurance premiums in full and at due times, and upon request provide the Bank with proof thereof. The Bank shall be entitled to handle any indemnification paid by the insurance company as a security deposit, and either put it the Mortgagor's disposal in order to the appropriate justified restoration of the property serving as collateral, or use it to reduce its claims toward the Debtor resulting from the Loan Agreement on the due date of such claims if the depreciation rate of the property serving as collateral endangers the satisfaction of the Bank. In this latter case the amount of any indemnity (security deposit) remaining in excess of the Bank's claims shall be payable to the Mortgagor.

### III.7. Provisions applicable to the Joint and Several Guarantor

- III.7.1. The obligation of Joint and Several Guarantor assumed by the Guarantor by signing the Loan Agreement extends to the coverage of expenses of procedures, including also the costs of litigation and foreclosure (as well as any law enforcement security deposit covering the costs of enforcement of any claim up to 20%, i.e. twenty percent, of the loan principal, secured with the Joint and Several Guarantee and the costs of enforcement of the joint and several guarantee) – which are launched by the Bank to enforce its claims if such costs would be charged to the Debtor but the Debtor does not pay them on the respective Due Date. The obligation of the Joint and Several Guarantor to cover the expenses of the proceedings launched by the Bank for the enforcement of its claims applies only if the Bank has instructed the Joint and Several Guarantor in writing to perform in compliance with the provisions of the Loan Agreement (Joint and Several Guarantee Agreement) before starting its proceedings.
- III.7.2. Upon the first written instruction duly signed by the Bank, the Joint and Several Guarantor shall make a payment within 10 days from the receipt of the

payment order, into the bank account specified in the order.

III.7.3. The Joint and Several Guarantor may not object to the order of claim satisfaction, i.e. it cannot demand that the Bank should try to collect its claim from the Debtor first.

III.7.4. The joint and several guarantee remains without any changes even if the obligor of the debt secured with a joint and several guarantee dies and is replaced by their heir.

III.7.5. The Joint and Several Guarantor is released from their obligation from the joint and several guarantee if the Debtor's debt to the bank has been paid.

### III.8. The amount, term and disbursement of the loan

The Bank shall be entitled to define the minimum and maximum amount of the Loans requested for different loan purposes or the percentage of the Loan to be used for the credit purpose.

III.8.1. The Bank shall define the amount of a particular Loan within the framework of the credit application, in the light of state aids, based on the creditworthiness, the available financial means of the Applicant, and the Collateral Value of the securities offered as collateral for the Loan by the Applicant(s), taking also into consideration the conditions of the present section and the effective laws at that time.

III.8.2. Before any agreement on the increase in the Credit Line provided according to a credit agreement, the Bank is obliged to assess the Debtor's creditworthiness free of charge and is entitled to request from the Debtor any documents and data necessary for the assessment.

III.8.3. The Loan shall be disbursed based on the effective loan agreement, after the engagement of the necessary securities and the complete fulfilment of all disbursement conditions and after verifying such fulfilment at the date or during the period and in the manner specified in the agreement. The Loan shall be disbursed to the bank account of the Debtor(s) held at the Bank. In the case of certain loan constructions the Loan shall be separated as collateral and becomes available only following the fulfilment of conditions defined in the agreement.

III.8.4. In the case of using state aid, the Loan shall be disbursed – if the agreement does not provide for it otherwise – after the proven use of the Applicant's own financial means declared by the Applicant on the application sheet, depending on the loan construction, in one amount or instalments, and after the presentation of invoices specified by statutory regulations and the agreement.

III.8.5. In case of Mortgage Loan Agreements if the Debtor is at least 90 days late with the performance of its obligations on basis of its agreement, the Debtor may once in the course of the Term of the Loan Agreement initiate in writing the extension of the Term of the Loan Agreement by maximally five years, which request may not be refused by the Bank, except in case of a profound reason. The Bank shall not be entitled to charge any fee, commission or cost for the extension of the term if the extension is made in line with this section.

III.8.6. The Bank is entitled to refuse the disbursement of the Loan in the following cases:

- a) after the conclusion of the contract any material changes took place in the Debtor's circumstances, thus the performance of contract is not to be expected and the Debtor fails to provide adequate guarantees in spite of being requested to do so;
- b) after the conclusion of the contract regarding the value or the enforceability of any of the securities any material changes took place, thus the performance of the contract is not to be expected and the Debtor fails to provide adequate guarantees in spite of being requested to do so;
- c) after the conclusion of the contract any material changes took place in the Bank's circumstances thus the performance of contract is not to be expected, furthermore after the conclusion of the contract certain circumstances have arisen, and those circumstances can be a basis for notice with immediate effect.

In sub-point b) of this point the provisions regarding the enforceability of any security can only be used as a reason to refuse the disbursement of the Loan in case of contracts concluded after 15<sup>th</sup> March 2014.

### III.9. Interest of the Loan and default interest

III.9.1. The Bank shall charge Interest on the Loan, which is reduced with references or increased with any risk premium. The Interest rate of the Loan shall be calculated on a daily basis.

III.9.2. The amount of Interest shall be calculated on the basis of the outstanding capital debt by applying the following formula:

$$\text{amount of Interest} = \frac{\text{outstanding principal} \times \text{number of calendar days} \times \text{Interest \%}}{360 \times 100}$$

III.9.3. The Bank calculates the Interest on the Loan in Interest brackets, depending on the loan amount. The classification into Interest brackets is based on the approved HUF amount of the Loan. The classification into Interest brackets does not change until the maturity of the term. During the same Interest period the Interest does not change, but the Interest changes in the different Interest periods. In case of Loans with Interest tied to a Reference Rate the Reference Rate shall be changed automatically in line with its term set out in the credit agreement in accordance with Section III.17.2.1. Subsection B.

III.9.4. Every Interest Period of the Loan lasts for the term fixed in the Loan agreement, save for the last incidentally broken Interest Period, which can be shorter depending on the expiration. The first Interest Period starts both in the case of a General Purpose Loans and market-rated Home Loan Agreements from the starting date of the Interest Period, meaning the effective date of the agreement, and end on the day identical to the Repayment Due Date in the month calculated with the length of the first Interest Period. Subsequently, the further individual Interest Periods of both General Purpose Loans and market-rated Home Loan Agreements shall start on the last day of the immediately preceding Interest Period and end on the day identical to the Repayment Due Date calculated with the length of the further Interest Periods, or in the case of the last Interest Period, the day identical to final maturity.

III.9.5. In the case of late payment of any outstanding debt (capital, Interest and other costs and contributions arising) the Bank shall be entitled the charge after the outstanding debt the rate of late charges defined in the relevant Announcement or in the individual contract. The amount of the late charges shall not be higher than two times of the Interest Rate set out in the Loan Agreement plus three percentage points and shall not be higher than the maximum rate of APR as set out by Section III.22.7.

### III.10. Service charge of the Loan

III.10.1. In case the applicable legal regulations allow, the Bank is entitled to charge a service charge for the Loan amount outstanding on the first day of each business year. The monthly service charge amount is identical to 1/12, i.e. one twelfth of the annual service charge amount calculated on the basis of the outstanding Principal Debt prevailing on the first day of the individual business years (in FX for FX-based loans) in each calendar month.

In the case of a loan disbursed in a single amount, the first business year shall start on the date of loan disbursement and mature on the numerically identical day of the same month in the following calendar year. In the case of a Loan disbursed in several instalments, the first business year shall start on the last day of the Commitment Period and end on the numerically identical date in the same month of the following calendar year. Subsequently, each business year shall start on the last day of the previous business year and end on the numerically identical day in the same month of the following calendar year or, if it is the last business year, on the final Maturity Date.

III.10.2. The Bank shall notify the Debtor of the applicable service charge within 15 days from the first day of each business year.

### III.11. Joint provisions on Interest, service charge, risk premium and interest allowance

III.11.1. The currently effective Announcement of the Bank contains any Interest, increase with any risk premium or reduced with promotional Interest, payable for the Loan, the risk premium or promotional Interest amount. The new Interest rate is defined at the time the individual Interest Period changes based on the currently effective (on the date of the Interest Period change) Announcement as well as any applicable interest or costs preference or risk premium. The Customers are individually informed of the amount of the changed Interest as of 1st February 2015 and 30th June 2015 according to Section III.17.3. by the Bank in the notifications defined in the referred Section.

III.11.2. The Bank shall notify the Debtor in writing about modification of the Interest rate applicable to the Loan transaction, made after the Disbursement

Date of the Loan describing the conditions prevailing on the date of modification.

### III.12. Other expenses related to the Loan

#### III.12.1. Contract modification fee

The Bank charges a contract modification fee for any modification, at a rate defined in the Announcement valid on the effective date of the contract modification, the payment of which is due on the effective date of the contract modification.

#### III.12.2. Fee charged for collateral modification

The Bank charges a fee for changing the collateral for any modification of collateral proposed by the Debtor at a rate and in the composition defined in the currently effective Announcement, of which the fee for establishing the Collateral Value is due at the time of acceptance of the application for the modification of collateral, and any additional fee amount is due on the effective date of the contract applicable to the modification of collateral. The fee for establishing the Collateral Value shall not be returned to the Debtor even if the application for the modification of collateral is rejected.

#### III.12.3. Prepayment fee

The Bank charges a prepayment fee for partial prepayment and a prepayment of the total Loan amount at a rate defined in the Announcement effective of the prepayment date, the payment of which is due simultaneously with the prepayment.

#### III.12.4. Commitment fee

The Bank shall charge, in some credit products, a commitment fee on the credit line amount made available, which is calculated from the day of contract conclusion/effective date until the disbursement/last day of the Commitment Period. The commitment fee shall be payable until the end of the Commitment Period, according the provisions of the individual contracts.

The commitment fee shall be defined based on the daily closing balance of the available amount, by using the following formula:

$$\frac{\text{Committed amount} \times \text{number of calendar days} \times \text{commitment fee \%}}{360 \times 100}$$

#### III.12.5. Administration fee related to the collateral

The fee varies depending on the land registry proceedings or service for which it is charged:

- verification of the title deed of the Mortgaged Property in the property register through the TakarNet system
- verification of the geographical survey map of the Mortgaged Property in the property register through the TakarNet system
- application for an authenticated title deed copy of the Mortgaged Property from the competent or non competent land registry office
- registration of a mortgage – including separate mortgage – on the Mortgaged Property, or its modification
- application for property registration proceedings of first instance

The amount of the fee is always defined in the currently effective Announcement of the Bank. The Debtor must pay the fee to the Bank before the land registry proceedings are launched or the requested service is ordered. The Bank shall be entitled to debit the Debtor's bank account with the amount of the due fee. The Bank may order an authenticated title deed copy from the competent land registry office at the Debtor's cost until its mortgage/separate mortgage is registered in the property register, first in the month of loan disbursement, followed by every second calendar month. The Bank may transfer the cost of the title deed copy to the Debtor by debiting the Debtor's bank account with the applicable amount.

#### III.12.6. Notarisation fee for the statement of a unilateral commitment

The estimated cost of notarisation of any debt acknowledgement statement, not included in the APR calculation is defined using the Decree of the Hungarian Ministry of Justice No. 14/1991. on the Schedule of the Notaries Fees.

#### III.12.7. Calculation of the estimated construction and fitting insurance/property insurance premium

The estimated construction and fitting insurance/property insurance premium is calculated using the premium calculator of the insurance companies

#### III.12.8. The listed fees and expenses are calculated on the basis of the fee calculators referred to above, as well as the rate and amounts defined in the Announcement effective on the date of signature of the Loan Agreement and under the applicable legal regulations.

### III.13. Repayments and prepayment of the Loan

- III.13.1. The Debtors and joint and several guarantors have a joint and several payment obligation up to the Loan amount and its incidental expenses.
- III.13.2. The Debtor shall make the repayments and pay the applicable expenses to the Bank by the Due Date.
- III.13.3. Unless otherwise provided in the contract, the Loan shall be repaid in monthly instalments, at the time and in a way defined under the Loan Agreement. Unless these business conditions provide otherwise, the monthly Repayments contain an Interest and principal portion calculated with the annuity method. The Bank notifies the Debtor in writing about the Repayment within 15 days before the first Due Date.
- III.13.4. The Bank determines and debits the Repayment, disbursement commission in the currency of the Credit Line/Loan, except for FX-based loans, in the case of which a HUF amount, applicable on the Due Date and calculated at the official exchange rate quoted and published by the MNB is debited. For an FX-based loan the Bank notifies the Debtor about the HUF amount of the debited Repayment and other expenses by sending them a Bank Account statement.
- III.13.5. The Bank debits the Debtor's bank account on the Due Date with the amount of expenses, not paid by the date of conclusion of the Loan Agreement, the Repayment, and the expenses listed above. It is the Debtor's obligation to maintain their bank account during the entire term of the Loan and provide the required funds in it on the Due Date.
- III.13.6. The Debtor – if the Joint and Several Guarantor and the Mortgagor has a material legal interest therein, also the Joint and Several Guarantor and the Mortgagor – may repay their debt partly or fully, before the Maturity Date specified under the Loan Agreement. If the Debtor/Joint and Several Guarantor/Mortgagor intends to make a prepayment, they must communicate this intention to the Bank before the prepayment in writing – in absence of differing provision of the individual Loan Agreement – at least 30 days before the by the Debtor/Joint and Several Guarantor/Mortgagor exactly assigned prepayment date. The day of prepayment is the day which the Debtor in its above written communication so determines.

If this intention is not reported, the additional payment will not be booked against to the Loan. Any prepayment may be made any time, in an order following the crediting of any due Interest/Repayment and prepayment/service charge. The Term of the Loan shall not change if a partial prepayment is made; the Bank shall notify the Debtor about the monthly Repayment applicable to the outstanding Term in writing within 15 days before the Due Date.

The Bank shall only credit the additional payment to the Loan account in one lump-sum based on the Debtor's written request. If despite a reported prepayment intention the necessary funding required for prepayment and payment of due interest/Repayment and prepayment/service charge is not available in the Bank account – if the prepayment is made by the Joint and Several Guarantor/Mortgagor on the central bank account held by the Bank for the purpose of prepayment, indicated in the prepayment request – on the day of prepayment, the Bank shall debit the Bank account only with the due Repayment.

### III.14. Overdue receivables

- III.14.1. Any overdue debts (principal, Interest, service charge and any default interest debt) shall be recorded in the Bank in the currency of the Credit Line/Loan. For any FX-based loan the Bank shall use the received HUF amount converted into currency based on the official exchange rate quoted and published by the MNB prevailing on the repayment date of the overdue debt.
- III.14.2. If the Debtor's Bank Account does not contain sufficient funds, the Bank shall register any unsettled and due debt as an overdue receivable and shall debit any of the Debtor's Bank Account kept by it with an amount equivalent to the overdue receivable even without the Debtor's specific order.
- III.14.3. If the Debtor has a debt to the Bank under several titles, or has several debts under the same title and the amount paid by the Customer is not sufficient to cover all due debts owed to the Bank, the Bank shall, irrespective of the instructions given by the Debtor, use the received amount to repay any of the Debtor's debt according its choice, in compliance with the provisions of the applicable legal regulations.



### III.15. Change of collateral, liberation of collateral (collateral modification)

If the qualification of the outstanding debt is free of any problems and the new real estate offered as collateral has sufficient Collateral Value, the Bank may agree, upon the written request of the Debtor, to the change of collateral and the liberation of the existing collateral.

### III.16. Co-operation and notification

III.16.1. The Debtor shall notify the Bank in writing about any change in their particulars recorded by the Bank within 5 days following the change.

III.16.2. The Bank shall notify the Debtor(s) about the outstanding Loan amount, the turnover on the loan account, as well as any other data specified under the applicable legal regulations in writing for each calendar year, in the first subsequent month.

III.16.3. Written notifications in connection with the Loan may be delivered to any of the Debtors/Joint and Collective Guarantors in a legally binding way.

### III.17. Amendment of the Loan Agreement

III.17.1. The modification made by the Bank unilaterally to the advantage of the Customer  
 The Bank reserves the right to amend Interests, fees, costs, measure of the Interest allowance or – if this Section III.17. does not state otherwise – any other contractual conditions unilaterally to the advantage of the Customer.

III.17.2. **Unilateral amendment of the credit agreement by the Bank to the Customer's detriment regarding credit agreements concluded after the 1<sup>st</sup> February 2015.** (save for Loans granted with state support for the Interest of such Loans)  
 The Bank reserves the right to amend the credit agreement unilaterally for the Customer's detriment in accordance with the provisions of this Section and its Subsections. The credit agreement shall be amended by the Bank unilaterally for the Customer's detriment only in connection with interests, fees and costs only in accordance with this Section. Any other conditions stipulated by the credit agreement – including but not limited to the conditions of unilateral amendments – shall not be amended to the Customer's detriment.  
 If the conditions stipulated in this Section allowing

the unilateral amendment of the credit agreement permit the reduction of Interest, fees and costs, the Bank shall enforce such reduction to the Customer's advantage as part of its contractual obligations

#### III.17.2.1. The alteration of the Interest, established in the credit agreement, unilateral amendment of the Interest, Interest margin by the Bank to the Customer's detriment

A. If a **fixed rate of Interest is determined in the credit agreement** the amount of the Interest shall be unaltered during the whole Term, the Interest of such loans may not be unilaterally amended by the Bank. If the original term of the contract will be later lengthened the interest for the altered term will be agreed upon by the Bank and the Customer in the amendment of the credit agreement.

B. In case of **credit agreements with variable interest tied to a reference rate** the Reference Rate established in the credit agreement (and thus the Interest) shall be automatically adjusted to the reference rate, quoted 2 days before the last business day of the month preceding the effective day at intervals corresponding to the term of the reference interest determined in the credit agreement.

The Bank shall notify the Customer of the change of the reference rate regularly on its website and it shall be displayed in its branches in the form of announcement.

The change of the amount of the Reference Rate in line with the above and thus the change of the Interest due to the alteration of the Reference Rate does not constitute an unilateral alteration by the Bank.

The credit agreement shall only contain the Reference Rate approved and published by the National Bank of Hungary. The Reference Rate shall not be amended unilaterally during the Term of the Loan.

The rate of the **Interest Margin** shall be unaltered for the whole Term of the Loan (fixed) and cannot be amended unilaterally by the Bank.

C. **Credit Agreements with a Variable Credit Interest** (not tied to a Reference Rate) altered in Interest Periods the interest is fixed in the Interest Period established by the credit agreement but variable in interest periods. The Bank is entitled to amend the Interest Rate in every Interest Period, but only five times

during the Term of the Loan. The amendment of the Interest rate shall be the following: the rate of Interest applicable during the new Interest Period shall be established with regard to the Interest modification indicator as on the 120<sup>th</sup> day before the end of the previous Interest Period. The amount of such Interest shall not exceed the amount calculated with the use of this Interest modification indicator.

If the Bank applied a more favourable Interest rate for the Interest Period than that permitted by the applicable Interest modification indicator, the Bank may, in subsequent Interest Periods, offset the discount granted in respect of the rate of the Interest against the rate of Interest to be reduced up to the extent thereof.

The interest modification indicator approved by and published on the website of the National Bank of Hungary shall be applied by the Bank for Loans in Hungarian Forints:

“(H1K) the change of the government bond 5 years reference yield (ÁKK) multiplied by 1.25”

The indicator uses the percentage of the change of the 5 years government bond reference yield between two Interest Periods as a base. This change of Interest expressed in percentages projected on the base – the 5 years government bond reference yield published by the Government Debt Management Agency on the first working day of 2015 – will result in the ratio expressed in basis points. Thus the Interest of the Loan will be changed in line with the change of the government yield expressed in percentages.

Formula:

$$\text{Index}_t = \text{akk}_t \times 1,25$$

$$\text{Index}_{t+1} = \text{Index}_t \times \left( \frac{\text{akk}_{t+1}}{\text{akk}_t} \right)$$

The amount of the change of Interest:

$$\text{H1K} = \text{Index}_{t+1} - \text{Index}_t$$

where t represents the Interest Period, only 6 Interest Periods are possible (5 changes of interest). The initial value of H1K<sub>t</sub> the 5 years government bond reference yield published by the Government Debt Management Agency on the first working day of 2015 multiplied by 1.25.

akk<sub>1,2,3...5</sub> the monthly average of the 5 years government bond reference yield published by the Government Debt Management Agency in the last month before the month of the 120<sup>th</sup> day before the effective day of the Interest Period.

The yields of mortgage bonds securing mortgage loans move along with the government bond yields. Mortgage bonds are typically have a term between 3 to seven years and their yields dependably fluctuating in a narrow range around 125% of the government bond yields of the same term.

The Bank is not entitled to amend unilaterally the interest modification indicator established in the credit agreement during the Term of the Loan.

If the Interest modification indicator or the Reference Rate set out in Subsection B) becomes unsuitable for the performance of its function due to a material change in the circumstances that determine the development thereof, the National Bank of Hungary shall delete it from its website and shall simultaneously designate the Interest modification indicator or Reference Rate to replace the same. This new Interest modification indicator or Reference Rate will substitute the above mentioned Interest modification indicator or Reference Rate even in case of existing Loans.

#### D. Special rules on current account credit line agreements and credit card agreements

In case of current account credit lines and credit cards the Bank is entitled to amend the transaction Interest set out in the agreement two times a year as of 1st January and 1st June each year, if change of the Bank’s funding costs i.e. the monthly arithmetic mean of the official 6 months BUBOR Reference Rate in the month two months before the last month of the half year in question (April, October) is different from the values of the previous half year. The amendment of the interest shall be the same as the interest modification indicator calculated as shown below:

Interest Modification Indicator =

$$\text{Index}_{\text{April/October}} - \text{Index}_{\text{October/April}}$$

Index<sub>April/October</sub> = the the arithmetic mean of 6 months BUBOR in April/October

#### III.17.2.2. Unilateral amendment of the costs and fees established in the loan agreement/credit agreement to the Customer’s detriment

The Bank is entitled to amend the cost established specifically in the credit agreement – arising during the conclusion, amendment and communication with the

Customer, in favour of the Customer, in connection with a third party's service, a way that permits the shifting thereof onto the consumer – amendment to the Customer's detriment only proportionally with the increase of that cost, at the time the cost has arisen. The Bank shall amend the fees established specifically in the credit agreement in connection with the conclusion and amendment of the contract and the costs of the administrative operation of the Bank to the Customer's detriment once a year as of 1<sup>st</sup> April. The increase shall not exceed the Customer price index of the previous year published by the Hungarian Central Statistical Office. The fees determined as a percentage rate may not be amended unilaterally.

**III.17.2.3. Informing the Customer on the unilateral amendment of interests, fees and costs, the right of termination of the Customer**

In case of the unilateral amendment of the Interest established in the credit agreement the Bank shall inform the Customer at least 90 days before the end of the Interest Period on the amount of the Interest to be applied in the new Interest Period, the amount of the Repayments to be expected after the amendment, and if the number of Repayments or the frequency of Repayments will be changed of this fact. The above shall not be applicable to current account credit lines and credit cards.

In case of the unilateral amendment of the cost or fee established in the credit agreement the Bank shall inform the Customer at least 30 days before the amendment comes into effect on the amendment, the new amount of the cost or fee, the amount of the Repayments to be expected after the amendment, and if the number of Repayments or the frequency of Repayments will be changed of this fact. The above shall not be applicable to current account credit lines and credit cards.

The above information shall be sent to the Customers via post and as an Announcement displayed in the branches and published on the Bank's website.

The unilateral amendment of Interest to the Customer's detriment in line with the above the Customer shall be entitled to terminated the credit agreement without any costs or fees. The Customer shall serve his/her termination notice upon the creditor 60 days prior to the end of the

Interest Period, and its validity shall be subject to the repayment of the Customer's outstanding debt towards the Bank on the last day of the Interest Period, at the latest. If Customer does not pay his/her debt until the aforementioned deadline the termination becomes ineffective and the credit agreement shall remain in force and effect with the amended contents stipulated by the credit agreement with the interest established for the new Interest Period.

In case of the unilateral amendment of current account credit lines or credit card agreements the Bank shall notify the Customer at least 60 days prior in a written form or on a durable medium on the amendment and the new amount of the amended condition (Interest, cost, fee). If the Customer does not accept the amendment he/she is entitled to terminate the contract until the effective date of the amendment with a 30-day notice without any costs or fees. The termination is valid if the Customer pays his/her outstanding debt including the Interests to be accrued in accordance with the agreement towards the creditor until the end of the termination period.

**III.17.3. The amendment of the conditions of Interests, cost and fees of the effective credit agreements concluded between 1<sup>st</sup> May 2004 and 31<sup>st</sup> January 2015 and the rules of the unilateral amendment of such agreements to the Customer's detriment from 1<sup>st</sup> February 2015 (save for Loans granted with state support for the Interest of such Loans).**

**III.17.3.1. In case of current account credit lines and credit card agreements** the provisions on unilateral amendment of those agreements – including the previously effective provisions on the unilateral amendment of this General Business Conditions for Private Customers constituting part of those agreements - shall be replaced with the respective provisions of Section III.17.2. applicable to the type of the agreement in question as of 1<sup>st</sup> February 2015.

**III.17.3.2. In case of credit agreements concluded between 27<sup>th</sup> July 2014 and 31<sup>st</sup> January 2015 not included in Section III.17.3.1., and Hungarian forint or foreign currency credit agreements concluded between 27<sup>th</sup> November 2010 and 26<sup>th</sup> July 2014** the provisions on the unilateral amendments of these agreements – including the previously effective provisions on the unilateral amendment of this General Business Conditions

for Private Customers constituting part of those agreements – shall be replaced with the respective provisions of Section III.17.2. applicable to the type of the agreement/interest in question as of 1<sup>st</sup> February 2015. The amendment shall not affect beyond the provisions of Section III.17.2. the determination of the Interest as set out in the agreement and the conditions of the Interest nor in the case of fixed rate credits neither in the case of credits with an interest tied to a Reference Rate.

In case of Credit Agreements with a Variable Credit Interest (not tied to a Reference Rate) with a remaining term exceeding free years after 1<sup>st</sup> February 2015, the agreements shall be supplemented

- in case of Hungarian Forint based mortgage loans with the interest modification indicator set out in Section III.17.2.1. Subsection C) and the provisions on the application of this indicator set out by that Section and the rules of that Section allowing the unilateral amendment of the interest in the future.
- in case of Hungarian Forint based non-mortgage loans with the following interest modification indicator:

**”HOK: Fixed Interest Rate”**

The value of the interest modification rate is a fixed zero during the Interest Periods during the term of the Credit Agreement, thus the Interest will remain changeless, fixed.

- in case of foreign currency loans not qualifying as foreign currency based loans:

**”DOK: Fixed Interest Rate”**

The value of the interest modification rate is a fixed zero during the Interest Periods during the term of the Credit Agreement, thus the Interest will remain changeless, fixed.

If the remaining Term of such contracts after 1<sup>st</sup> February 2015 is 3 years or shorter the Bank shall not amend the Interest unilaterally during the remaining Term of the contract.

During the appropriate application of the amendments set out in Section III.17.3.1. and III.17.3.2. and Section III.17.2.2. the Bank shall not introduce new costs and fees. The costs and fees established before 1<sup>st</sup> February 2015 shall remain part of the credit agreements. These costs and fees can be amended in the future according to respective provisions of Section III.17.2.2. and Section III.17.2.3.

The concerned Customers shall be informed individually by the Bank of the amended contents of the credit agreement until 31<sup>st</sup> December 2015.

**III.17.3.3. In case of foreign currency based credit agreements concluded between 1<sup>st</sup> May 2004 and 26<sup>th</sup> July 2014 not concerned by Section III.17.3.1. and Hungarian Forint or foreign currency credit agreements concluded between 1<sup>st</sup> May 2004 and 26<sup>th</sup> November 2010**

The interest of the agreements falling into this category according to Act LXXVII of 2014 on the settlement of issues related to the conversion of the currency of certain consumer loan agreements and rules regarding interest (Fttv.) – and also affected by the settlement regulated in the Act XL of 2014 (Settlement Act) – will be amended according to the provisions of the Fttv. by course of law. The effective day of the amendment is 1<sup>st</sup> February 2015 in case foreign currency and foreign currency-based loans and 30<sup>st</sup> June 2015 in case of Hungarian Forint based loans (settlement dates). The concerned Customers shall be informed in writing by the Bank of new conditions of interests after the amendment and the conditions of the credit agreement in line with the amendment simultaneously with the sending of the settlement set out in the Settlement Act until 31<sup>st</sup> December 2015.

After the above detailed amendment of the concerned credit agreements the rules set out in Section III.17.2. shall be applied to the unilateral amendment of these agreements to the Customer’s detriment with the following differences:

After the settlement date the term of the interest periods of the credit agreements – in case of interest tied to a reference rate the term of the interest margin periods – shall be i) if the term remaining after the settlement date exceeds 16 years: 5 years ii) if the term remaining after the settlement date exceeds 9 years but does not exceed 16 years: 4 years, iii) if the term remaining after the settlement date exceeds 3 years but does not exceed 9 years: 3 years. Save for the foreign currency/foreign currency based credit agreements to be converted into forints according to Section 10 of the Fttv. and after the conversion tied obligatory to a Reference Rate (3 months BUBOR) the interest and the conditions of the Interest are unaltered.

A. **In case of credit agreements tied to a Reference Rate or credit agreements** amended to such conditions to the amendment after the settlement date the provisions of Section III.17.2.1. Subsection B) shall be applicable, taking into account that the first Fixing Date of the Reference Date after the settlement date can be longer than the term of the Reference Rate according to the Fttv.

B. In case of **Credit Agreements with a Variable Credit Interest (not tied to a Reference Interest Rate) altered in Interest Periods** not affected by the conversion to Hungarian Forints or exempt from the conversion – including the credit agreements based on Hungarian Forints – the first unilateral amendment of the Interest to the Customer’s detriment can only be made on the first day of the second Interest Period after the settlement date taking into account the provisions of Section III.17.2.1. Subsection C). If the remaining Term of the credit agreement is 3 years or shorter than 3 years the Bank shall not be entitled to amend the interest during the rest of the Term.

With the application of Section III.17.2.1. Subsection C) to Hungarian Forint based credit agreements with a remaining term longer than 3 years from the settlement date shall be supplemented with the Interest modification rate set out in the referred Section and the rules on the application of that interest modification rate allowing the unilateral amendment of the Interest in the future.

In case of foreign currency/foreign currency based credit agreements not affected by the conversion to Hungarian forints or exempt from the conversion with a remaining Term longer than 3 years from the effective day the rules set out by Section III.17.2.1. Subsection C) shall be applicable with the following: such agreements shall be supplemented with the following Interest modification rate from the effective day:

**“DOK: Fixed Interest Rate”**

The value of the Interest modification rate is a fixed zero during the Interest Periods during the term of the Credit Agreement, thus the Interest will remain changeless fixed.

C. **In case of the unilateral amendment of the costs and fees established by the credit agreement to the Customer’s detriment** Section III.17.2.2. and III.17.2.3. shall be

applicable with the following: the costs and fees established by the credit agreement before 1st February 2015 will stay the part of the credit agreement, however their future amendment will be made according to respective provisions of Section III.17.2.2. and III.17.2.3. The fees can only be amended for the first time on 1 April 2016.

The amendments set out in this Section III.17.3. shall form part of the agreements existing at the time of of the effective date without any further legal act on the part of the parties according to Section 33 Subsection 2 Act CLXII of 2009 on Credit Provided for Consumers (Fhtv.) and Section 3 Subsection 1 of the Fttv.

III.17.4. **In case of loans granted with state support for the interest of such loans and credit agreements concluded before 1<sup>st</sup> May 2004** the rules applicable to and becoming part of these agreements to the unilateral amendment of these loans to the Customer’s detriment will not be amended with the coming into effect of this General Business Conditions for Private Customers. The unamended provision are contained in Annex 2 of this General Business Conditions for Private Customers.

### III.18. Termination of the Loan Agreement

III.18.1. The Bank may terminate the agreement for the Credit Line or the Loan Agreement with immediate effect if

- the Debtor is in breach of any of their obligations undertaken in any of the contracts concluded with the Bank;
  - the Debtor misleads the Bank intentionally or unwillingly by supplying incorrect data, or concealing important facts and data;
  - according to the Bank’s evaluation, the financial situation of the Debtor has negatively changed or seems to be changing negatively after the signing of the agreement
- the Debtor assumes other payment obligations (e.g. guarantee) to an extent which jeopardise the fulfilment of their obligations toward the Bank,
- the Debtor fails to fulfil their payment obligations, including the payment of tax debts, toward another financial institution, company or any other authority, or is late in fulfilling such obligations to an extent which jeopardise the fulfilment of their obligations toward the Bank.

- III.18.2. The Bank shall consider the following events severe violation of contract, representing the basis of immediate termination:
- a) the Debtor fails to fulfil any of their payment obligations under the Loan Agreement on any Due Date, and is in default of at least one month,
  - b) the Debtor's conduct to withdraw a collateral item would impose a risk on the repayment of the Loan,
  - c) the competent land registry office rejects the registration of any title on the Mortgaged Property established for the Bank,
  - d) if during the period of encumbrance, the Collateral Value or marketability of the Mortgaged Property decreases due to any reason to such an extent that it imposes a risk on the satisfaction of the Bank's claims and the Debtor fails to provide additional satisfactory collateral despite the Bank's order,
  - e) a court or other regulatory foreclosure is launched against the assets of the Debtor/Joint and Several Guarantor or the Mortgaged Property,
  - f) the Mortgagor registers any claim or encumbrance on the Mortgaged Property in relation to any other transaction,
  - g) the Debtor fails to certify the existence of a construction and fitting insurance/property insurance agreement and the recognition (acknowledgement) of the Bank's beneficiary status or its statutory lien by the insurer within 15 days from the receipt of the applicable written order from the Bank,
  - h) the Mortgagor uses any insurance compensation for a purpose other than obligatory reconstruction, for which the Bank has provided the insurance compensation resulting from a claim event occurring in the property collateral,
  - i) violation of the provisions of any agreement securing the Loan Agreement,
  - j) the Bank may terminate the Loan Agreement with immediate effect if the Debtor fails to fulfil any of their obligations to the Bank pursuant to the provisions of the Agreement and therefore the contract containing the violated obligation is terminated by the Bank,
  - k) it is impossible to use the Loan for the aim stipulated by the contract, or the Debtor fails to use the amount of the Loan for this aim;
  - l) the Debtor is obstructing the examination of its financial stability, the coverage or the securities or the fulfilment of the aim of the Loan;
  - m) any event representing the basis of the Termination of the Loan defined under the legal regulation.
- III.18.3. The Debtor and the Bank – if the Loan Agreement does not stipulate otherwise – shall not be entitled

to terminate the Credit Line Agreement or the loan agreement with notice.

### III.19. Assignment

- III.19.1. The Bank may assign its rights and receivables arising from the Agreement establishing a separate mortgage on property to a third party. Furthermore the Bank is entitled to transfer a mortgage established for the Bank's merit – without having to transfer the secured claim – to third persons to secure an existing or future claim of those persons against the Bank, according to the rules of seceded lien.
- III.19.2. At any time during the validity of the credit or loan agreement, the Bank shall be entitled to assign to third parties, in full or in part, its receivables from the Customer arising from the credit or loan agreement, respectively to hand over its overdue claims for enforcement to a third party carrying on recovery of receivables in a businesslike manner.

In the event of assignment to a third party of the Bank's claims against the Customer, the Customer shall be entitled to plead against the assignee any defence which was available to him against the Bank.

The Customer shall be informed of the assignment referred to above, except where Bank, by agreement with the assignee, continues to service the credit vis-à-vis the Customer.

### III.20. Termination of Agreement

The Credit or Loan Agreement shall be terminated on the day on which the Debtor fulfils all their payment obligations arising from the Credit or Loan Agreement and all of the Bank's claims originating from such agreements have been satisfied.

### III.21. Calculation method applied by the Bank in case of FX-based Loan Agreements for amounts defined in HUF

- III.21.1. In case of FX-based Loan Agreements entered into between the Bank and the Debtor the HUF equivalent of the:
- a) Loan at Disbursement,
  - b) Repayment,
  - c) existing debt at partial or full prepayment, and
  - d) any cost, fee or commission fixed in FX

## General Business Conditions for Private Customers

shall be calculated on the basis of the official exchange rate quoted and published by the MNB prevailing on the date defined in Section III.21.2.

- III.21.2. The Bank shall determine the HUF equivalent according to Section III.21.1. at the rate:
- prevailing for the Disbursement Date at Disbursement,
  - prevailing for the Repayment date in case of the Repayment,
  - prevailing for the prepayment date in case of partial or full prepayment,
  - prevailing for the Due Date in case of service charge,
  - prevailing for the effective date of the Loan agreement in case of disbursement commission.

III.21.3. The Bank shall not charge any separate costs, fees or commissions related to the conversion stipulated in this Section III.21.

III.21.4. Present Section III.21. shall not apply if Repayment shall be paid in FX.

### III.22. Costs included and not included in the calculation of the APR, and the APR calculation method

III.22.1. The APR is calculated on the basis of the actual Terms and Conditions and effective legal regulations and its rate may change as the conditions change.

III.22.2. Costs considered in the calculation of APR in consequence of the Government Decree No. 83/2010. (III.25.) on the definition, calculation and publication of the annual percentage rate (hereinafter: APR Regulation)

The costs to be considered in the calculation of APR are all the costs, including interest, commissions, taxes and any other kind of fees which the Debtor is required to pay in connection with the credit agreement, and costs in respect of ancillary services relating to the credit agreement which are known to the Bank, in addition, the conclusion of a service contract is compulsory in order to obtain the credit or to obtain it on the terms and conditions marketed, especially:

- costs of real estate appraisal in connection with the collateral offered to the Bank,
- costs of on site inspection of real estate developments,

- costs of maintaining an account and the costs of using a means of payment and other costs relating to payment transactions except for the cases set forth in section 22.3. f),
- fee to be paid to the credit intermediary,
- costs of real estate registration procedure,
- costs of insurance and guarantee, except costs of property insurance necessary in case of mortgage loans.
- the fee of registration to the collateral register as stipulated by 5:112 § of the Civil Code

When applying point c), if the account type requested by the Customer is not known, yet, the account type provided by the Bank with the most favourable conditions shall be taken into account, for the maintenance of which no requirements not connected to the credit shall be fulfilled.

If the number of the on site inspections can not be determined in advance, the fee of two inspections shall be taken into consideration.

III.22.3. Costs not to be considered during the calculation of APR in consequence of the APR Regulation:

- cost of prolongation,
- late charges,
- any other payment obligations deriving from the non-fulfilment of contractual obligations,
- notarial costs,
- charges other than the purchase price which, for purchases of goods or services, the Customer is obliged to pay in case of commercial loans or linked credit agreements, whether the transaction is effected in cash or on credit,
- costs of maintaining an account and of using a means of payment, and other costs relating to payment transactions if the opening of the account is optional and the costs of the account have been clearly and separately shown in the credit agreement or in any other agreement concluded with the Customer.

The Loan Agreement shall contain further costs occurring after the disbursement of the Loan and not to be considered during the calculation of APR.

III.22.4. The formula of APR calculation

The following formula shall be applied for calculating the APR:

$$\sum_{k=1}^m C_k (1+X)^{-t_k} = \sum_{l=1}^{m'} D_l (1+X)^{-s_l}$$

## General Business Conditions for Private Customers

Where:

- C<sub>k</sub>**: is the amount of the drawdown  $k$ , reduced by costs to be paid in connection with the loan until the first drawdown,
- D<sub>1</sub>**: is the amount of the first repayment or payment of charges,
- m**: is the number of drawdowns,
- m'**: is the number of the last repayment or payment of charges,
- t<sub>k</sub>**: is the interval, expressed in years and fractions of years, between the date of the first drawdown and the date of each subsequent drawdown, thus  $t_1 = 0$ ,
- s<sub>1</sub>**: is the interval, expressed in years and fractions of years, between the date of the first drawdown and the date of each repayment or payment of charges,
- X**: is the APR.

- III.22.5. Special rules of APR calculation for credits on currency basis and provided in foreign currency  
 For credits with a foreign currency basis, if both drawdown and repayment takes place in Hungarian Forints, the Bank, when using the formula specified under section III.22.4., shall regard payments made by the Customer and by the Bank as payments made in Hungarian Forints, – as regards credit-installment taking into account the drawdown rate applied by the Bank for the specific transaction, and as regards repayment and payment of charges the repayment rate – with the following rates:
- a) the foreign currency rate laid down in the agreement, defined not earlier than 30 days preceding the conclusion of the agreement
  - b) the currency rate applied in the commercial communication of the Bank, which is the valid exchange rate of the first working day of the month prior to the current quarter

For credits with a foreign currency basis, if both drawdown and repayment takes place in foreign currency, the Bank, when using the formula specified under section III.22.4, payments made have to be considered as payments made in Hungarian Forints in the agreement considering the official middle rate as quoted by the Hungarian National Bank in the agreement not earlier than 30 days in advance, in commercial communication valid on the first working day of the month prior to the current quarter.

In the case of foreign currency credits the HUF costs have to be considered upon calculating the APR in the currency of the credit considering the rate of sale used by the Bank for payment of charges in the specific transaction in the agreement defined not earlier than 30 days in advance, in

commercial communication valid on the first working day of the month prior to the given quarter.

In case of foreign currency credits and credits with a foreign currency basis, the Bank shall include in the agreement if the calculation of the APR was based on HUF payments or payments made in the currency of the loan, and the valid date of the exchange rate considered when converting the payments to an other currency.

The value of the APR does not reflect the exchange risk of the Loan/Credit.

- III.22.6. Special rules of APR calculation for loans with floating interest rates:  
 The value of the APR does not reflect the interest risk of the Loan.

- III.22.7. Current value of the APR, restrictions, other provisions:  
 The APR for all products specified in the statutory provisions is contained in the currently valid Announcement of the Bank. The APR of a specific loan/credit transaction is always included the loan/credit agreement.  
 At the time of conclusion of the given Loan/Credit Agreement the APR of the loan/credit transaction must satisfy the provisions of section 17/A of the Fhtv. pertaining to the restriction of the APR.  
 Should the APR of the loan/credit transaction the Customer applied for – due to change of any factor included in the calculation of the APR – change in such a way, that at time of conclusion of the Loan Agreement it should fail to satisfy the above binding statutory regulations, the Bank shall be entitled to refuse the conclusion of the Loan/Credit Agreement.

### III.23. Other provisions

- III.23.1. Conversion of Loans registered in FX into HUF-based Loans  
 The Debtor may request the Bank to convert a Loan registered in FX into a HUF-based Loan on one occasion during the Term, and shall submit this request to the Bank in writing at least 30 days before the Fixing Date. The Bank shall assess this request in compliance with its internal regulation.  
 The Bank shall convert the Loan on the Fixing Date, using the official exchange rate quoted and published by the MNB prevailing on the conversion date, in compliance with the provisions of its Announcement prevailing at the time of conversion, under the terms and conditions of the given banking product.  
 The Bank shall notify the Debtor in writing about



the repayment amount changing in relation to the conversion, the applicable fees and other conditions prior to their Due Dates

III.23.2. In the case that the currency of any loan in any recorded agreement ceases to exist, the currency of the loan shall change into the currency chosen by the Debtor from the currently valid Announcement of the Bank, and if the Debtor does not inform the Bank about their choice in writing within 15 days after such currency ceases to exist, the Bank shall convert the loan, without giving any further notification, into the valid currency of the Republic of Hungary. The rate of conversion is the foreign exchange rate applicable to the relevant loan type according to the currently valid Announcement of the Bank.

III.23.3. If any provision or part of any provision of an agreement between the Bank and the Debtor becomes invalid or non-executable, it shall not affect the validity of the rest of the Agreement.

III.23.4. When calculating interest amount, repayment instalments, and APR, indicated in credit information provided in advance of the conclusion of credit agreements and in the loan agreements, the Bank presumes a month to have 30,41666 days according to the APR Regulation.

### III.24. Special provisions applicable to the individual loan types

III.24.1. Loans, secured with a life insurance agreement  
 If the Bank provides a Loan secured with a life insurance agreement, the repayment contains only Interest during the period of the amount approved under the life insurance agreement used for the repayment of the Loan. In addition, the Debtor must pay the service charge. The Interest amount payable for the actual number of calendar days varies as a result of the daily Interest calculation. The Bank notifies the Debtor in writing about the exact Interest and service charge amount payable by the Debtor monthly within 15 days from the first Due Date.

The amounts of the disbursed Loan, the payable Interest and service charge are defined in the currency of the Loan, but the amount payable pursuant to the life insurance agreement is defined in HUF.

If the amount transferred pursuant to the life insurance agreement is not enough to repay the total amount of the principal of the FX Loan, then the Debtor shall repay the difference as described below.

The Bank shall notify the Debtor in writing about the Difference amount calculated in the currency of the Loan within 15 days from the date of transfer of the amount pursuant to the life insurance agreement for the repayment of the Loan. The Debtor may pay the Difference to the bank in one lump sum, without paying any repayment fee, within 15 days from the receipt of this notice. If the total amount of the Difference is not paid within this period, then the Debtor shall pay the Difference in monthly equal instalments (on annuity basis). The proportions of principal and Interest shall vary in the repayments.

In the case of market-rated home loans, the first repayment instalment shall be due on the last working day of the second calendar month following the month when the life insurance matures, and then on the last working day of every month.

In the case of general purpose mortgage loans, the first instalment shall be due and payable on the day of the effective date of the loan agreement (Repayment Day) in the third month following the expiry of the life insurance contract, and then each month on the day corresponding to the effective date.

The Debtor shall pay the monthly service charge together with, and in addition to, the repayment instalment. If upon expiry of the Insurance Contract, the Insurance Company fails to transfer the Insurance amount, the Customer shall pay the total amount of the loan in equal monthly repayments (annuity).

By using the amount approved under the life insurance agreement for Loan repayment, the Bank shall not open a new Interest period or a new business year.

**In addition to the events representing the basis of termination defined under Section III.18., the Bank may also terminate the Loan Agreement with immediate effect in the following cases:**

- a) the Debtor does not fulfil any of their payment obligations arising from the life insurance agreement at all, or their performance is not in line with the provisions of the Agreement,

- b) the Debtor has changed any provision of the life insurance agreement (for example beneficiary or risks covered, insurance amount) without the Bank's preliminary written consent.

III.24.2. Loan secured with a home savings contract  
 If the Bank provides a Loan secured with a home savings agreement, the repayment contains only Interest during the period while the amount approved under the home savings agreement is used for the repayment of the Loan. In addition, the Debtor must pay the service charge. The Interest amount payable for the actual number of calendar days varies as a result of the daily Interest calculation. The Bank notifies the Debtor in writing about the exact Interest and service charge amount payable by the Debtor monthly within 15 days from the first Due Date.

The amounts of the disbursed Loan the payable Interest and service charge are defined in the currency of the Loan, but the amount payable pursuant to the home savings agreement is defined in HUF.

If the amount transferred pursuant to the home savings agreement is not enough to repay the total amount of the principal of the Loan, then the Debtor shall repay the difference as described below. The Bank shall notify the Debtor in writing about the Difference amount calculated in the currency of the Loan within 15 days from the date of transfer of the amount pursuant to the home savings agreement for the repayment of the Loan. The Debtor may pay the Difference to the bank in one lump sum, without paying any repayment fee, within 15 days from the receipt of this notice. If the total amount of the Difference is not paid within this period, then the Debtor shall pay the Difference in monthly equal instalments (on annuity basis). The proportions of principal and Interest shall vary in the repayments.

In the case of market-rated loans, the first due date of repayment shall be the last banking day of the calendar month immediately following the month in which the amount disbursed under the home savings agreement(s) is used for Loan redemption. Subsequently, the repayment instalments and the service charge shall be due and payable on the last banking day of each month.

In the case of general purpose mortgage loans, the first due date of repayment shall be the day identical with the effective date in the second calendar month

following the month in which the amount disbursed under the home savings agreement is used for Loan redemption. Subsequently, the repayment instalments and the service charge shall be due and payable each month on the day identical with the Effective Date of the Contract. Along with and in addition to the repayment instalment, the Debtor shall also pay the monthly service charge.

If upon expiry of the home savings contract, the Home Savings Fund fails to transfer the amount saved, the Customer shall pay the total amount of the Loan in equal monthly instalments (annuity).

By using the amount approved under the life insurance agreement for Loan repayment, the Bank shall not open a new Interest period or a new business year.

**In addition to the events representing the basis of termination defined under Section III.18, the Bank may also terminate the Loan Agreement with immediate effect in the following cases:**

- a) if the Debtor has violated the provisions of the home savings agreement,
- b) if the assignment of the amount under the home savings agreement to the Bank is not confirmed based on the assignment within 90 days from the registration of the home savings agreement,
- c) if the Debtor does not fulfil any of their payment obligations to the housing savings fund in relation to the home savings agreement or their performance is not in line with the provisions of the agreement,
- d) if the Debtor has changed any provision of the home savings agreement (e.g. beneficiary(ies) savings amount) without the Bank's preliminary written consent.

**In case of loans secured with home savings contracts if the Mortgage Agreement – on the claim stipulated by the home savings contract – was concluded on 15<sup>th</sup> March 2014 or after 15<sup>th</sup> March 2014 the provisions of this point shall be applied with the following exceptions:**

In addition to the reasons stipulated in point III.18 the Bank shall be entitled to terminate the loan agreement without notice in the following cases:

- a) if the Debtor has breached the provisions of the home savings contract,
- b) if the Debtor does not fulfil any payment obligation to the Home Savings Fund or fails to fulfil the payment obligation in conformity with the contract,

- c) if the Debtor amends any part (e.g. beneficiaries, saved amount) of the home savings contract, without the prior written consent of the Bank,
- d) if the Debtor breached any provision of the lien contract on the claim arising from the home savings contract.

**III.24.3. Loans taken to replace other loans**

Apart from the events representing the basis of termination defined under Section III.18. whenever a Loan secured with a separate mortgage or charge not secured with a ban on sale or encumbrances the Bank may terminate the Loan Agreement with immediate effect if the Debtor does not submit to the Bank the title deed of the property securing the replaced loan, on which the mortgage or individual charge and any other collateral securing the replaced Loan is cancelled within 60 days from the day of disbursement of the Loan.

**III.24.4. VDCS or VDCS Top Loans**

The Debtor is entitled to the terms and conditions applicable to the VDCS or VDCS Top banking product based on his employer as long as the co-operation agreement between the Bank and the Debtor's employer prevails, or as long as the Debtor is employed by the employer. The Bank shall impose charges for the termination of the co-operation agreement or the preferential expenses payable for the Loan disbursed pursuant to the Loan Agreement from the first day of the month in which the Bank learns about the termination of employment at a rate defined in the currently effective applicable Announcement of the Bank.

The Bank shall notify the Debtor about the changed regularly payable repayment amounts and additional expenses prior to the first Due Date.

III.24.5. Special provisions on home loans disbursed in several parts to the debit of the Credit Line

III.24.5.1. The Debtor shall pay Interest and service charge from the disbursement of the first instalment of the Loan.

III.24.5.2. During the Commitment Period, the Debtor shall pay service charge on the outstanding principal amount on the last day of each calendar month (in foreign exchange in the case of FX loans).  
 The service charge shall be calculated as follows:

$$\frac{\text{principal amount due and outstanding on the last day of the calendar month} \times \text{number of days} \times \text{service charge \%}}{360}$$

(where the number of days is the number of calendar days in the particular month, disregarding the month in which the commitment starts, as in that month the number of days is determined from the calendar day immediately following the start of the Commitment Period.)

III.24.5.3. Upon expiry of the Commitment Period, the Bank shall charge service charge on the principal actually outstanding on the last day of the Commitment Period, and subsequently on the first day of the particular business year (in foreign exchange in the case of an FX loan).

III.24.5.4. In respect of the loan agreement, the Bank shall consider as material breach of contract giving reason for termination with immediate effect under Section 6:387 of the Civil Code especially if the loan amount is not fully withdrawn during the Commitment Period, and upon call from the Bank the Debtor fails to give written evidence of the achievement of the loan purpose.

## IV. SCOPE OF THE BUSINESS CONDITIONS

The text of these Business Conditions for private customers, incorporated with all amendments into a unified structure, shall come into effect on 1<sup>st</sup> February 2015 for an indefinite period of time. In case of any discrepancies between the Hungarian text of the General Business Conditions for Private Customers and the present English text, the Hungarian version shall prevail.

Budapest, 1<sup>st</sup> February 2015

## ANNEX 1

**Reasons of the modification made by the Bank unilaterally to disadvantage of the Customer in case of agreements concerning financial services and auxiliary financial services which are not concerned as loan agreement**

**a) Modification of the legal and regulatory circumstance**

- modification of any laws or other regulations obligatory for the Bank related to the Bank's activity, operational conditions, or
- modification of the capital requirements,
- regulations, recommendations issued by the Hungarian National Bank,
- modification of the creditor's common charge payment obligation (e.g. tax),
- modification of the regulations regarding the mandatory reserve,
- change or termination of the interest state-subsidies for real estate,

**b) Modification of the market conditions and macro-economical environment**

- change of market-rates of the capital and money market,
- change of the availability of financial funding sources,
- increase in the yield of mid-/ long term (1y+) government bonds,
- change of the National Bank's base rate, National Bank's repo interest-rate and National Bank's deposit interest-rate,
- change of the yield environment of the interbank market,
- change of the Bank's funding costs,
- increase in the yield of the securities publicly issued by the Bank,
- increase in the mortgage bond's yield issued by the UniCredit Jelzálogbank Zrt., or increase in the costs related to its issuance,
- change of the country-risk spreads,
- change of the liquidity-costs,
- change in the official rate of consumer inflation published by the KSH (statistical office),
- relative shift in FXSWAP and other yield curves,
- change in the official rate of unemployment,
- change in personal costs

**c) Modulation of the Bank's operational conditions**

- alteration in the business policy of the Bank according to market conditions,
- changes of the Bank's general operational costs,
- changes of the risks undertaken by the Bank on behalf of the Debtor – according to the Bank's professional discretion – including the alteration of the Debtor's credit capability and the decrease and increase of the value of the collaterals,
- changes of the risks or risk factors of the loans provided for private customers,
- changes of the additional risk interest,
- changes of the material expenditures of the services,
- the development of the information technology,
- modification of data protection services,
- modification of the regulations of the Hungarian Act No. CXXXVI. of 2007 on the Prevention and Combating of Money Laundering and Terrorist Financing,
- raise of the charges devolved by the Bank's partners concerning their services provided on contractual basis,
- raise of the fees and charges linked to products and services provided by the Bank's Partners,
- changes of the expenditures of the services incurred by contracts concluded by and between the Bank and third parties according to market conditions,
- changes of the risks of the services implied in the contracts of the Bank,
- modification of the instructions of the international bankcard organisations (e.g. Visa, MasterCard),
- changes of the legal transactions and devolved fees effected by third parties concerning their services provided on contractual basis (e.g. First Data, BTS, GBC, MultiCard etc.),
- changes in business conditions of post or telecommunication service providers,
- changes in business conditions of service providers employed in marketing/promotional activities related to the Bank's products and services.

## ANNEX 2

Reasons of the modification regarding Interests, fees, costs made by the Bank unilaterally to disadvantage of the Debtor in case of Loans granted with state support to the interest of such Loans, and Loans concluded before 1 May 2004

I.) The regulations regarding the modification made by the Bank unilaterally to the disadvantage of the Customer in case of Loan refinanced by mortgage bond before 1<sup>st</sup> of August 2009

The Bank reserves the right to amend Interests, fees, costs, measure of the Interest allowance or any other contractual conditions unilaterally in accordance with the stipulations of the loan agreement concluded with the Debtor or withdraw the measure of the interest allowance.

II.) The regulations regarding the modification made by the Bank unilaterally to the disadvantage of the Customer in case of Loan non-refinanced by mortgage bond before 1<sup>st</sup> of August 2009

1. To the disadvantage of the Customer the Bank reserves the right to modify the Interests, fees, costs, measure of the Interest allowance in case the conditions and circumstances determined in Annex No 2/A of the present Business Conditions occur or withdraw the measure of the interest allowance unilaterally.
2. Contrary to the above, in case of Home Loan Agreements the Bank is entitled to modify the Interests, and the measure of the interest allowance unilaterally to the disadvantage of the Customer, in the cases, with the conditions and in the manner set forth in Annex 2/B of the present Business Conditions, if justified by the change of the National Bank's base rate, refinance interest rates, money market indexes, the interests on the customer time deposits with the Bank, change of the legal, regulatory environment, respectively the change of credit risk. For the unilateral modification of fees and costs by the Bank in connection with these Loan Agreements to the disadvantage of the Customer the provisions set forth in Annex 2/B of the present Business Conditions shall be applied.
3. Any changes in the agreement regarding Interest, Interest allowance, fees, costs to the disadvantage of the Customers, shall be published in the form of announcement sixty days prior to the effective date of such changes. The Bank notifies the Customer about the modification and the new Repayment because of such modification by post mail or by other durable mediums determined in the loan agreement not later than sixty days prior to the effective date of such changes.
4. The regulations concerning the announcement and notification mentioned in the above section 3) shall not apply in case of loan agreements including interest state-subventions and loans which are linked to reference based interest rate. In case of change of Interest, fees or costs in the loan agreement including interest state-subventions, or – in case of Reference Rate linked Interest – the change in the Interest arising from the alteration of the Reference Rate to the disadvantage of the Customers unilaterally, shall be published in the form of announcement fifteen days prior to the effective date of such change. Loans granted according to the Government Decree No 12/2001 and 134/2009 and 57/2012 (hereinafter: the Decree) shall be considered as loans including interest state-subventions.
5. In case the Bank modifies the regulations regarding the Interests, measure of the Interest allowance, fees, costs unilaterally to the disadvantage of the Customer, – except for the change of interest linked to Reference-Rate – he or she is entitled to terminate the loan agreement free of charge before the effective date of such modification. In case of mortgage bond financed Loans – including mortgage bond refinanced Loans from the date of the actual refinancing – , if the Debtor takes the opportunity of termination right because of modification of the regulations regarding Interest, measure of interest allowance, fee or cost to the disadvantage of the Debtor, the Bank is entitled to enforce its costs related to the repayment of the expiration. If the Debtor takes opportunity of his/her termination right, the Bank and the Debtor shall settle each other not later than on the third banking day following the notification of the termination in terms the Debtor shall pay to the Bank his or her full liabilities.

## ANNEX 2/A

**Reasons of the modification regarding Interests, fees, costs made by the Bank unilaterally to disadvantage of the Debtor in case of the none-Home Loans non-refinanced by mortgage bonds before 1st of August, 2009**

**1. The Bank undertakes to modify the Interest unilaterally only upon the occurrence of the following scenarios:**

1.1. Change of the legal, regulatory environment

- a) changes in the laws, by-laws, regulations or in the decrees of the MNB, or in other rules compulsory for the Bank related to its activities or operating conditions closely and directly associated with the legal terms stipulated in the loan contract or financial leasing agreement;
- b) changes in the public dues (e.g., tax) related to the Bank's activities closely and directly associated with the legal terms stipulated in the loan contract or financial leasing agreement, and changes in the minimum reserve requirements;
- c) change in the amount or fee of the obligatory deposit insurance.

1.2. Change in the money market conditions and the macro-economic environment

- a) change in the cost of funds available for the Bank/ changes in the opportunities to raise funds on the money market, thus especially, but not limited to, changes in the following factors:
  - the credit rating of Hungary,
  - the sovereign risk premium (credit default swap),
  - the base interest rate, the repurchase and deposit interest rates of the MNB,
  - the inter-bank money market interest rates/loan rate,
  - shift of the yield curve of the bonds issued by the Hungarian State or the Bank and the swap yield curve relative to each other,
  - the yield of publicly issued securities ensuring refinancing or the risk rating of the issuer of the securities by a recognized independent credit rating agency, or the costs related to such rating,
  - the Interests on the customer time deposits with the Bank.

1.3. Changes in the customer's risk rating

- a) Reclassification of the Customer or the credit transaction to another risk category based on the Bank's asset rating policy in compliance with applicable statutory regulations, or the Bank's internal debtor rating policy – especially if the Customer's financial position, solvency and stability changed – if the reclassification into a new risk category justifies the modification of the rate of impairment and the risk premium applied.
- b) Changes of risks associated with loan facilities and/or Customers of identical risk category based on the Bank's asset rating regulations in compliance with applicable statutory regulations, or the Bank's internal debtor rating regulations if the change of risk in the given category justifies the change of the rate of impairment, and therefore also the risk premium applied.
- c) The Bank undertakes not to increase interest based on the change of risk rating in the case of Customers who have always fulfilled their contractual obligations and have never made late payments during the tenor of the loan.
- d) At least 10% change in the value of the real estate collateral provided to secure the loan or credit granted.

**2. The Bank is entitled to modify loan related costs, fees and charges other than interest for the following objective reason:**

Change of the preceding year's annual consumer price index published by the Central Statistical Office.

The Bank may increase loan related costs, fees and charges other than interests yearly, not exceeding the annual average inflation rate published by the Central Statistical Office.

**3. The Bank undertakes, besides sections 1 and 2, to unilaterally modify interest, fees and costs only for a temporary period, in case of any force majeure event – sudden large disturbances of the money and capital markets – until disturbances are over. The Bank undertakes furthermore to publish such measures and simultaneously inform the Hungarian National Bank.**

## ANNEX 2/B

**Reasons of the modification regarding interests, fees, costs made by the Bank unilaterally to disadvantage of the Debtor in case of the Home Loans non-refinanced by mortgage bonds before 1st of August, 2009**

**1. The Bank undertakes to modify the interest of Home Loans unilaterally only upon the occurrence of the following scenarios, de facto influencing the measure of the interest:**

- a) unfavourable change in the cost of funds/in the opportunities to raise funds referred to in point 2, available for the Bank,
- b) change of credit risk referred to in point 4,
- c) changes in the laws closely and directly associated with the legal terms stipulated in the loan contract or financial leasing agreement, rising the costs of the given activities of the Bank.

**2. Unfavourable change of cost of funds, in the opportunities to raise funds shall mean the occurrence of at least one of the following scenarios:**

- a) rise of the base interest rate,
- b) rise of the inter-bank money market interest rates,
- c) rise of the interest on the customer time deposits with the Bank,
- d) rise of the yield of publicly issued securities ensuring refinancing,
- e) provable rise of cost of credit-, loan agreements ensuring refinancing of the lending or leasing activities of the Bank.

**3. The rise of the measure of the interest expressed as a percentage may not exceed the measure defined on the basis of the common effect of the change of conditions listed in point 2, taking into consideration the fund structure of the Bank and its change.**

**4. Interest may be also changed unilaterally to the disadvantage of the Customer in case of changes of credit risk:**

- a) In case of reclassification of the Customer or the credit transaction to a higher risk category based on

the Bank's asset rating or internal debtor rating policy, if the reclassification takes place due to at least 10% change in the amount of the loan or the value of the real estate collateral provided to secure the loan or credit granted, provided that the given change seriously threatens the repayment of the loan, or

- b) In case of rise of risks associated with loan facilities and/or Customers of identical risk category based on the Bank's asset rating or internal debtor rating regulations if the change of risk in the given category justifies the change of the rate of impairment, and therefore also the risk premium applied.

**5. The Bank may not modify the measure of the interest of credits granted in FX and repaid in HUF to the disadvantage of the Customer based on point 4.a), if the amount of the loan defined in HUF is rising due to change in exchange rates.**

**6. The Bank may not modify the measure of the interest to the disadvantage of the Customer based on point 4.a), if the Customer has not been at least 30 days late with its payment obligation.**

**7. The Bank is entitled to modify loan related costs, fees and charges other than interest for the following objective reason:**

Change of the preceding year's annual consumer price index published by the Central Statistical Office. The Bank may increase loan related costs, fees and charges other than interests yearly, not exceeding the annual average inflation rate published by the Central Statistical Office.

**8. The Bank undertakes, besides section 7, to unilaterally modify interest, fees and costs only for a temporary period, in case of any force majeure event – sudden large disturbances of the money and capital markets – until disturbances are over. The Bank undertakes furthermore to publish such measures and simultaneously inform the Hungarian National Bank.**

