

The construction trustee service fosters the performance of the construction contract concluded by and between the builder and the prime contractor in order to provide collateral for the construction implementation activity as well as to ensure the targeted usage of the security provided by the contractor, according to the requirements of Gov. Decree No. 191/2009 (IX. 15.) and by using the subcontractor registration software.<sup>1</sup>

## Why and when does the builder have to use the construction trustee service?

- The use of a construction trustee is mandatory for the implementation of construction works not subject to the Public Procurement Act (“Kbt.”) but reaching or exceeding the community value limit specified in the Kbt.
- The builder’s construction trustee fosters the fulfilment of the builder’s statutory obligation to provide collateral for the construction implementation activity and ensures the targeted usage of the security provided by the contractor, by using an electronic construction trustee system.
- The mandatory contribution of the builder’s construction trustee starts from the entry into effect of the construction contract, and ends at the settlement of the payment of the final invoice, submitted upon the completion of construction implementation activities.

## Our bank undertakes

- to conclude a construction trustee contract with the builder in line with the construction contract, to open construction trustee and security accounts for them and to manage the amount held on the accounts,
- to inform the builder and the prime contractor on the changes in the collateral which was placed at its disposal according to the construction trustee contract, to remind the builder in an e-mail message if collateral has to be placed,
- to check the data included in the performance certificate and the invoice issued by the prime contractor, to record the due date of the invoices payable to the prime contractor,
- to manage the electronic sub-contractor records, to monitor the performance of the registration obligation of prime contractor and sub-contractors and payment of the subcontractor performance,
- to pay the due amount recognized in the performance certificate and recorded in the electronic system from the placed collateral to the prime contractor if the prime contractor has already settled the amounts invoiced by the subcontractor(s) participating in his performance based on a performance certificate ,
- to withhold the amount of any unsettled receivables and to pay it without delay to the beneficiary of the unsettled receivables acknowledged by a performance certificate,
- to perform the additional tasks required by the government decree.

Our Bank can provide the construction trustee service if the builder places the collateral in cash, in the currency of the construction contract.

If you are interested in our service, please refer to your contact person with any questions you may have.

The one-off and monthly fees charged for the service will be specified according to an individual agreement.

UniCredit Bank Hungary Zrt.

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<sup>1</sup> Relevant legal regulations: Gov. Decree No. 191/2009 (IX. 15.); Act CVIII of 2011 on public procurement (the “Kbt.”); Gov. Decree No. 245/2006; Act LXXVIII of 1997 on the modification and protection of the built environment (the “Étv.”)