

# **Citibank Europe plc Hungarian Branch Office**

## **General Business Conditions**

### **of Corporate Services**

Citibank Europe plc Hungarian Branch Office

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Company register No.: 01-17-000560, Metropolitan Court as Court of Registration

Activity licence: Central Bank of Ireland, 1 May 2001

Effective: as of 2 March 2020

## **Contents**

### **Definitions**

#### **I. General**

1. Application of the General Business Conditions
2. Making Available and Amendments to the General Business Conditions and the List of Conditions
3. Non-disclosure, Data Protection and Data Management
4. Cooperation and Provision of Information
5. Customer Identification and Representation
6. Liability of the Bank
7. Means and Forms of Communication
8. Place and Date of Performance
9. Delivery of Documents

#### **II. Orders and Bank Accounts**

10. Acceptance of Orders
11. Execution of Orders
12. Withdrawal, Modification, Correction of Orders, Refund, Refusal of Orders by the Bank
13. Opening of Accounts
14. Account Statements
15. Right of Set-off
16. European Monetary Union and Other Changes in Currency

#### **III. Specific Banking Transactions**

17. Electronic Banking Services
18. Deposit Transactions
19. Credit (Loan) Transactions
20. Bill of Exchange and Cheque Transactions, Postal Orders
21. Documentary Credit
22. Documentary Collection
23. Bank Guarantee and Surety
24. Foreign Exchange Transactions

#### **IV. Collateral**

#### **V. The Bank's Rights upon Default**

#### **VI. Termination by the Bank**

#### **VII. Fees, Bank Charges and Other Costs**

28. Interest
29. Commissions/Fees
30. Legal and Expert Costs
31. Other Costs

#### **VIII. Miscellaneous Provisions**

32. CCIS related information and data provision
33. Assignment
34. Provision of Information on Outsourcing and the Temporary Transfer of Personal Data
35. Establishment of the Amount Payable for the Services
36. Record Keeping and Custody Obligations
37. Statute of Limitation
38. Third Parties
39. Payment of taxes
40. Security Incident, operational and security risks
41. Settlement of Legal Disputes
42. Governing Law and Jurisdiction

## Definitions

In the present General Business Conditions (hereinafter: "General Business Conditions"), unless stipulated to the contrary, the following terms shall have the following meaning:

**Agreement:** An agreement entered into by and between the Bank and the Customer regarding a given Service;

**Anonymized and/or Aggregated Data:** means information relating to the Disclosing Party received or generated by the Receiving Party in connection with the provision or receipt of the Account and Services and in respect of which all direct personal identifiers have been removed, and/or which has been aggregated with other data, in both cases such that the data cannot reasonably identify the Disclosing Party, its Affiliates or a natural person;

**Banking Day:** The business day on which the Bank is open from the point of view of Money Transaction Services for carrying out the given payment transaction, depending on the nature of the given payment transaction (in particular, currency, place and method of submission and methods of payment);

**Bank Personal Data:** means Personal Data relating to a Data Subject received by the Customer from the Bank, Bank Affiliates and/or their respective Representatives in the course of receiving Accounts and Services from the Bank. Bank Personal Data may include names and contact details, to the extent that these amount to Personal Data under applicable Data Protection Law;

**Bank Recipients:** means the Bank, Bank Affiliates and their respective Representatives;

**CIFEA:** Act on Credit Institutions and Financial Enterprises (as applicable) and any law substituting this Act including their amendments applicable at any time;

**Civil Code:** Act IV of 1959 on the Civil Code in respect of Agreements entered into prior to 15 March 2014 (the **Old Civil Code**); Act V of 2013 on the Civil Code (the **New Civil Code**) in respect of any Agreement concluded after 14 March 2015 and any Agreement in respect of which the Parties agreed to be governed by this Act;

### Confidential Information:

**(A)** where the Disclosing Party is the Customer or a Customer Affiliate, or any of their respective Representatives: information relating to the Customer or Customer Affiliates or their respective Representatives or Related Parties received by Bank Recipients in the course of providing Accounts and Services to the Customer, including all Customer Personal Data, Customer's bank account details, transactional information, and any other information which is either designated by the Customer as confidential at the time of

disclosure or that a reasonable person would consider to be of a confidential or proprietary nature; or

**(B)** where the Disclosing Party is the Bank or a Bank Affiliate, or any of their respective Representatives: information relating to the Bank or Bank Affiliates or their respective Representatives received or accessed by the Customer, Customer Affiliates and their respective Representatives in connection with the receipt of Accounts and Services from the Bank, including Bank Personal Data, information relating to the Bank's products and services and the terms and conditions on which they are provided, technology (including software, the form and format of reports and online computer screens), pricing information, internal policies, operational procedures and any other information which is either designated by the Bank as confidential at the time of disclosure or that a reasonable person would consider to be of a confidential or proprietary nature;

**Control:** means that an entity possesses directly or indirectly the power to direct or cause the direction of the management and policies of the other entity, whether through the ownership of voting shares, by contract or otherwise;

**Customer:** Irrespective of whether specified as Customer, Debtor, Account Holder, Principal or in another way, in the Agreement, any legal entity, business association lacking a legal status of a legal person or other organization, private entrepreneur, one man company to whom the Bank provides Services under the Agreement or with which it begins to establish a relationship aimed at the conclusion of an Agreement;

**Customer Personal Data:** means Personal Data relating to a Data Subject received by or on behalf of the Bank from the Customer, Customer Affiliates and their respective Representatives and Related Parties in the course of providing Accounts and Services to the Customer. Customer Personal Data may include names, contact details, identification and verification information, nationality and residency information, taxpayer identification numbers, voiceprints, bank account and transactional information (where legally permissible), to the extent that these amount to Personal Data under applicable data protection and data security law;

**Data Management:** irrespective of the method used, any or all of the operations on Personal Data, including collecting, capturing, recording, systematizing, storing, modifying, retrieving, studying, utilizing, transmitting, publishing, harmonization, linking or blocking, deletion and destruction; if the data protection or data security laws of that country give

a different definition, the definition given therein or the most equivalent definition hereunder applies;

**Data Protection Law:** means any and all applicable laws and/or regulations relating to privacy and/or data protection in relation to the Processing of Customer Personal Data or Bank Personal Data, including any amendments or supplements to or replacements of such laws and/or regulations and including without limitation and as applicable: (i) the EU Directive on Data Protection (95/46/EC) and the EU Directive on Privacy and Electronic Communications (2002/58/EC); (ii) any national laws implementing such directives; (iii) General Data Protection Regulation (GDPR-General Data Protection Regulation 2016/679 adopted by EU and any laws and/or regulations implementing or made pursuant to such regulation); and (iv) any Equivalent Law;

**Data Subject:** means a natural person who is identified, or who can be identified directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to his or her physical, physiological, genetic, mental, economic, cultural or social identity, or, if different, the meaning given to this term or nearest equivalent term under applicable Data Protection Law. For the purpose of these Conditions, Data Subjects may be the Customer, Customer Affiliates, the Bank, their personnel, Related Parties, customers, suppliers, payment remitters, payment beneficiaries or other persons;

**Decree of the National Bank of Hungary:** Decree No. 35/2017 (XII.14.) MNB on the Execution of Money Transactions and the then-current amendments thereto;

**Disclosing Party:** means a party that discloses Confidential Information to the other party;

**Durable Data Carrier:** A device that allows the Customers to store data addressed to them for a long period corresponding to the purpose of the data and to display the stored data in an unchanged form and with unchanged contents;

**EEA State:** Member States of the European Union and other states which are parties to the European Economic Area Agreement;

**Equivalent Law:** means the laws and/or regulations of any country outside the EEA that are intended to provide equivalent protections for Personal Data (or the nearest equivalent term under applicable data protection law and/or regulation) of Data Subjects as the GDPR, including without limitation, the data protection laws of Jersey, Macau, Morocco, Switzerland and the United Kingdom;

**General Agreement:** An agreement for the provision of Money Transaction Services concluded between the Bank and the Customer, which sets the material conditions of payment orders and payment transactions based on the General

Agreement for a given period, including the opening of a Payment Account. The General Business Conditions, the General Terms of Contract applicable to the individual Services, the Lists of Conditions and the Agreement concluded for the use of the given Service and other documentation form part, among others, of the General Agreement;

**List of Conditions:** Information on the available Services and the consideration for the Services, which is posted on the Bank's premises open for business with its customers and contains, in particular, the applied rates, the bank charges and the changing terms and conditions applicable to individual Agreements and other fees;

**Microbusiness:** The Customer the total number of employees of which is less than 10 as stated by the Customer on the date of conclusion of the General Agreement or, in the case of Agreements concluded prior to the entry into force of the MTA, on the basis of the details in the public domain on the effective date of the MTA, and the annual sales revenue or balance sheet total of which is maximum EUR 2 million in the business year preceding the conclusion of the General Agreement or, in the case of Agreements concluded prior to the effective date of the MTA, in its last closed business year on the basis of the details in the public domain on the effective date of the MTA, or a HUF amount corresponding thereto, calculated at the official foreign-exchange rate quoted by the National Bank of Hungary, valid on the last day of the business year preceding the conclusion of the General Agreement or, in the case of Contracts concluded prior to the entry into force of the MTA, in its last closed business year on the basis of the details in the public domain on the effective date of the MTA;

**Money Transaction (Bank) Account:** The Payment Account that the Customer opens or has opened on the basis of an obligation defined by law for the purpose of carrying out its money transactions within its regular economic activities;

**Money Transaction Services:** Services qualifying as money transaction services under the CIFEA;

**Money Transaction Act, MTA:** Act on the Provision of Money Transaction Services (as applicable) and any law substituting this Act including their amendments applicable at any time;

**Payment Account:** Any account used for carrying out payment transactions, kept by the Bank for the Customer, including bank accounts;

**Payment Infrastructure Provider:** means a third party which forms part of a payment system infrastructure, including without limitation communications, clearing or payment systems, intermediary banks and correspondent banks

**Permitted Purposes:** in relation to the Bank's use of the Customer's Confidential Information means the following purposes: (A) to provide Accounts and Services to the Customer in accordance with the Terms; (B) to undertake

activities related to the provision of Accounts and Services, such as, by way of non-exhaustive example: (1) to fulfil foreign and domestic legal, regulatory and compliance requirements (including US anti-money laundering obligations applicable to the Bank's parent companies) and comply with any applicable treaty or agreement with or between foreign and domestic governments applicable to any of the Bank, Bank Affiliates and their agents or Payment Infrastructure Providers; (2) to verify the identity of Customer representatives who contact the Bank or may be contacted by the Bank; (3) for risk assessment, information security management, statistical, trend analysis and planning purposes; (4) to monitor and record calls and electronic communications with the Customer for quality, training, investigation and fraud prevention purposes; (5) for crime detection, prevention, investigation and prosecution; (6) to enforce or defend the Bank's or Bank Affiliates' rights; and (7) to manage the Bank's relationship with the Customer, which may include providing information to Customer and Customer Affiliates about the Bank's and Bank Affiliates' products and services; (C) the purposes set out in Condition 3.5 (Authorized disclosures); (D) any additional purposes expressly authorised by the Customer; and (E) any additional purposes as may be notified to the Customer or Data Subjects in any notice provided by, or upon the instruction of, the Bank pursuant to Condition 3.8.2;

**Personal Data:** means any information that can be used, directly or indirectly, alone or in combination with other information, to identify a Data Subject, or if the data protection or data security law of a particular country give a different definition then, the meaning given therein or the most equivalent definition hereunder applies;

**Receiving Party:** means a party that receives Confidential Information from the other party;

**Reference Exchange Rate:** The then-current exchange rate between currencies, quoted or made available to the public by the Bank;

**Reference Interest Rate:** The then-current interest rate available to the public, serving as a basis for the calculation of the interest applicable by any Bank;

**Related Affiliate:** means any entity, present or future, that directly or indirectly Controls, is Controlled by or is under common Control, depending on the context, with the Bank, Customer or Third Party Service Provider and any branch or representative offices of such entity, including Citibank, N.A. and Citigroup Technologies, Inc. in case of the Bank;

**Related Party:** means any natural person or entity, or branch thereof, that: (i) owns, directly or indirectly, stock of the Customer, if the Customer is a corporation, (ii) owns,

directly or indirectly, profits, interests or capital interests in the Customer, if the Customer is a partnership, (iii) is treated as the owner of the Customer, if the Customer is a "grantor trust" under sections 671 through 679 of the United States Internal Revenue Code or is of equivalent status under any similar law of any jurisdiction, domestic or foreign, (iv) holds, directly or indirectly, beneficial interests in the Customer, if the Customer is a trust; or (v) exercises control over the Customer directly or indirectly through ownership or any arrangement or other means, if the Customer is an entity, including: (a) a settlor, protector or beneficiary of a trust; (b) a person who ultimately has a controlling interest in the Customer; (c) a person who exercises control over the Customer through other means; or (d) the senior managing official of the Customer;

**Representatives:** means a party's officers, directors, employees, agents, representatives, professional advisers and Third Party Service Providers

**Security Incident:** means an incident (Data Protection Incident) whereby the confidentiality of Disclosing Party Personal Data within Receiving Party's custody or control has been materially compromised which could result in realistically Personal Data of the Data Subject being lost, destroyed, changed, unauthorized disclosure or unauthorized access;

**Secondary account identifier:** shall mean the unique identifier disclosed by the person having the right to dispose over the account via the account holder's payment account servicing payment service provider to the body operating the central database, that allows for the clear identification of the account holder's payment account. More than one secondary account identifier (Tax number, Tax identification code, mobile phone number and electronic mail address) may be assigned to a payment account, however, a particular secondary account identifier may be assigned to one payment account only. If the payer submitted an Instant payment indicating the beneficiary's secondary account identifier, the payer's payment service provider shall indicate in the subsequent information such secondary account identifier as the beneficiary's data instead of beneficiary's name and account number.

**Services:** Financial and supplementary financial activity performed by the Bank and authorized by law or the authorities.

**Tax:** any tax, levy, contribution, fee, encumbrance, retention or deduction, and related liabilities – including any tax surcharges, fines or interest – that are levied in respect of or in relation to (i) securities or cash/account money (including all payments made by the Bank to the Customer in connection with securities or cash/account money, (ii) transactions/orders executed based on a Contract (excluding levy payable in accordance with Act CXVI of 2012 on the financial transaction

levy or any other law that supersedes it), or (iii) the Customer (including the customers thereof); with the proviso that the definition of “Tax” shall not include any income taxes levied on, or calculated on the basis of, the net revenue of the Bank, or any sector-specific taxes (franchise tax).\*\*

Third Party Service Provider: means a third party reasonably selected by the Receiving Party or its Affiliate to provide services to or for the benefit of the Receiving Party, and who is not a Payment Infrastructure Provider. Examples of Third Party Service Providers include technology service providers, business process outsourcing service providers and call center service providers;

## **I. General**

### **1. Application of the General Business Conditions**

1.1 Citibank Europe plc Hungarian Branch Office (the „Branch”) is the financial branch of Citibank Europe plc (the „Founder”) established in Hungary. The Branch provides Services exclusively on behalf and in the name of the Founder. These General Business Conditions (the „General Business Conditions) regulate the general contractual terms of the Services provided by the Branch acting on behalf of the Founder as its statutory representative (the “Bank”). The Hungarian and Irish laws and regulation, the directives of the authorities and also the international banking standards and practices shall govern the Bank’s operation and the performance of its services. The General Business Conditions do not apply to those financial and auxiliary financial services that the Founder provides not through the Branch.

1.2 The provisions of the General Business Conditions as well as, if the Bank has General Terms of Contract, General Lending Conditions and a List of Conditions, the General Terms of Contract, the General Lending Conditions and the List of Conditions shall be binding upon the Bank and the Customer without specific stipulations. The provisions of the General Business Conditions as well as the relevant General Terms of Contract, General Lending Conditions and List of Conditions constitute an integral part of all Agreements, and shall govern all aspects of the business relationship unless the individual Agreements contain a separate provision therefor. By signing the Agreement, the Customer confirms and declares that it has become familiar with the General Business Conditions, acknowledges the declarations and commitments stated therein as binding upon itself and, at the same time, hereby waives the right to contest the General Business Conditions by claiming that its competent officer has not appended his or her initials thereto. Should there be any inconsistency between the General Business Conditions, the General Terms of Contract, the General Lending Conditions, the Terms and Conditions and the Agreement, primarily the provisions of the Agreement, then, in this order, those of the List of Conditions, the General Lending Conditions, the

General Terms of Contract and the General Business Conditions shall govern. In individual Agreements and orders, the Parties may deviate from the provisions of the General Business Conditions as well as the General Terms of Contract, the General Lending Conditions and the List of Conditions by mutual agreement and to the extent permitted by law.

1.3 If the Bank applies international agreements, usages and rules to the individual Services, the provisions of the General Business Conditions may only be applied if the international agreements, customs and rules do not provide otherwise.

1.4 The Parties shall enter into the Agreement for Services for an indefinite term unless expressly agreed otherwise.

### **2. Making Available and Amendments to the General Business Conditions and the List of Conditions**

2.1 The Bank shall make available the General Business Conditions, the General Lending Conditions, the General Terms of Contract and the List of Conditions on its premise available for business with its Customers during regular business hours, furthermore, the Bank shall provide a copy of the General Business Conditions on paper or on a Durable Data Carrier upon the Customer’s request. The Bank shall also make available the General Business Conditions, the General Lending Conditions, the General Terms of Contract and the Lists of Conditions to the Customer continuously and in an easily accessible way electronically on the website [www.citibank.hu](http://www.citibank.hu).

2.2 The Bank expressly reserves the right to unilaterally modify in a manner unfavourable for the Customer (i) the interest rate, (ii) any fees, (iii) costs or (iv) other terms of agreement in any Agreement if the reasons defined in Section 2.2.1 exist. The Bank may exercise the right of unilateral modification if a change in the cause-and-effect factors with an influence on the given term of contract requires it and makes it possible.

2.2.1 In case of a change to the following factors the Bank shall be entitled to exercise the right of unilateral modification of the Agreement:

- a) change to the legal, regulatory environment
  - (i) change to any law, public administration rule, court decision, order of the central bank, the supervisory authority or any other authority or to the interpretation and application of rules, as well as a legal source also to be applied mandatorily in Hungary or expected to be implemented in the laws of Hungary as a result of legislation in the European Union or a change thereto (hereinafter: “Rules”), where such Rules require or allow (authorize) the



Bank to make such unilateral modification) and which result or may result in additional costs for, or a decrease in the income of, the Bank;

- (ii) change to the obligation of the Bank to bear common public charges;
  - (iii) unfavourable change to the rules on compulsory reserves;
  - (iv) changes to and/or termination of state (or other) subsidies related to certain Services;
- b) change to the money market conditions and the macroeconomic environment
- (i) increase in country risk reflecting the political and economic situation of Hungary;
  - (ii) changes to the fund-raising and refinancing costs of the Bank; in the case of Services provided through the use of refinancing, modification in the terms of refinancing effected by the refinancier or any change in the risk assessment of the refinancier or a significant change to its operation;
  - (iii) changes to the opportunities of fund-raising in the money market;
  - (iv) changes to central bank base rates, central bank repurchase and deposit rates;
  - (v) changes to interest rates in the capital and money markets;
  - (vi) changes to interbank lending rates;
  - (vii) changes to the consumer price index;
  - (viii) changes to the yields of securities publicly issued by the Bank or the lender to the Bank or changes to the fees for surety or guarantee provided for the Bank or to the credit insurance premiums;
  - (ix) increasing yields of government securities;
  - (x) changes to the lending and operating risk costs of the Bank;
  - (xi) a significant change to the convertibility of the Hungarian forint or any foreign exchange quoted by the Bank, appreciations or devaluations of the Hungarian forint or any foreign exchange quoted by the Bank;
  - (xii) limitation or reduction of the authorization to participate in international money and capital market transactions;
  - (xiii) full or partial freezing of the money and capital markets, temporary or permanent

cessation of liquidity, or temporary or permanent breakdown of the Hungarian and/or international interbank payments system;

- c) changes to the conditions of banking operations
- (i) negative change to the risk assessment of the Bank or the Citigroup Banking Group;
  - (ii) increase in the risk or risk factors of certain customer segments or product groups, taking into consideration the proportion of contractual and non-contractual performance of Agreements associated with the given product group or customer segment;
  - (iii) decrease in the value of the collateral guaranteeing the performance of the existing liabilities;
  - (iv) increase in the risk interest premium of the bank cooperating in the provision of the Service concerned;
  - (v) increase in the operating costs of the Bank, arising for reasons beyond the control of the Bank and directly related to the provision of the Service concerned, already paid by the Bank to other service providers, introduction of new fee rates by a cooperating service provider or bank, as well as any other modifications of the terms of contract set forth in the code of business practice and/or other modifications of the announcement of the service provider or bank concerned or changes to the rate/amount of fees or costs established by law (e.g., a change in the fees charged by companies performing outsourced activities for the Bank: GIRO Zrt., OBA, etc.), increase in the rent or maintenance or operating costs of the sales points and office premises of the Bank, increase in the service fees of postal and telecommunications (telephone, Internet) services, changes to the Code of Business Practice and/or announcement of the service provider of postal and telecommunications services;
  - (vi) changes to procedures of banking operations associated with the performance and maintenance of services provided by the Bank, to settlement procedures, to the IT systems, rules of procedure or the operational and/or risk assumption rules of the Bank representing additional costs to the Bank;
  - (vii) introduction by the Bank of a Service relating to new financial products provided to the Customers, modification, expansion or

development of Services relating to existing products, or the withdrawal, suspension or termination of a product or Service;

- (viii) increase of the fees for, or costs of, Services provided at a price lower than the costs of the Service concerned for business policy or other reasons to operating cost level.

2.2.2 The Bank shall make available to the public the modification associated with non-Money Transaction Services on premises open to customers (branches) as well as electronically on the Internet website of the Bank, [www.citibank.hu](http://www.citibank.hu), 15 days prior to the effective date of the modification.

2.2.3 If the Customer does not object to the modification in writing by the effective date thereof, the modification shall be deemed to have been accepted by the Customer.

2.2.4 If the Bank receives the Customer's written objection concerning the modification of the Agreement not later than by the day preceding the effective date of the modification of the Agreement, the Bank shall consider the General Agreement terminated by the Customer as of the effective date of the modification of the Agreement. In this case, the Bank and the Customer shall settle accounts with each other not later than by the date of termination, shall pay their debts and shall dispose of their claims.

### **2.3 Unilateral, unfavourable modification by the Bank of terms of contract qualifying as Money Transaction Services**

2.3.1 The Bank shall also be entitled to modify interest rates or exchange rates without separate notification and immediately if such changes are based on the Reference Interest Rate or the Reference Exchange Rate.

2.3.2 The Bank shall initiate the modification of the terms of contract qualifying as Money Transaction Services in the General Business Conditions, the General Lending Conditions, the General Terms of Contract and the Lists of Conditions at least two months prior to the coming into force of the modification in the form of an announcement available in the Bank branches and electronically on the Internet website of the Bank ([www.citibank.hu](http://www.citibank.hu)).

2.3.3 If the Customer does not object the modification in writing until the date of its entry into force, the modification shall be deemed accepted by the Customer.

2.3.4 If the Bank receives the Customer's written objection concerning the modification of the Agreement not later than by the day preceding the effective date of the modification of the Agreement, the Bank shall consider the Agreement terminated by the Customer with immediate effect. In such a case, the Customer shall be entitled to terminate the Agreement without any obligation to pay fees, costs or other

charges. In this case, the Bank and the Customer shall settle accounts with each other not later than by the date of termination, shall pay their debts and dispose of their claims. The Customer acknowledges that in the case of a guarantee issued by the Bank, the date of termination may not precede the expiry date of the guarantee.

2.3.5 If the Customer accepts the amendment prior to the proposed effective date thereof, the amendment shall take effect at the time recommended by the Bank.

2.3.6 If the amendment of the Agreement is aimed at termination of a service provided by the Bank, the parties must settle their accounts with each other

### **2.4 Other modifications**

2.4.1 The Bank reserves the right to unilaterally modify any contractual condition at any time in a manner that is not unfavourable for the Customer.

2.4.2 With mutual consent the Parties are entitled to modify any contractual term with any content.

2.4.3 It is not considered unilateral modification that is unfavourable to the Customer if the Bank launches a new service and a new fee related thereto is introduced if the Customer is not obliged to make use of the new service and if the modification of conditions (introduction of new fee) is applicable exclusively for new Customers or new Agreements concluded. It is also not considered to be unilateral modification that is unfavourable for the Customer if after the predefined period or in case of occurrence of previously announced conditions the Bank changes contractual terms in a manner and to an extent previously advised.

### **3. Non-disclosure, Data Protection and Data Management**

3.1 The Bank shall treat as bank secret all data, facts, solutions and information defined as such by the relevant laws, acquired from and about the Customer, which relate to the Customer's entity, data, pecuniary situation, business activities, business operations, ownership and business relations as well as the balance and turnover of its Account kept by the Bank and its Agreements concluded with the Bank. The Bank shall keep the bank secret and shall not disclose it to third parties unless the Bank is permitted to do so by the laws applicable to credit institutions or the Bank has been authorized to do so by the Customer in writing by accepting the General Business Conditions or otherwise.

The Customer undertakes to treat its business relationship with the Bank, and any written and/or verbal agreement in connection therewith as business secret in accordance with the provisions of the relevant laws. The Customer shall not place any written and/or verbal agreement concluded with the Bank



at the disposal of third parties in any form without the Bank's prior written consent. A breach of this obligation shall be deemed a gross breach of contract in respect of the business and legal relationships between the Customer and the Bank.

### 3.2 Protection of Confidential Information

The Receiving Party will keep the Disclosing Party's Confidential Information confidential on General Business Conditions hereof and exercise at least the same degree of care with respect to the Disclosing Party's Confidential Information that the Receiving Party exercises to protect its own Confidential Information of a similar nature, and in any event, no less than reasonable care.

### 3.3 Use and disclosure of Confidential Information

The Disclosing Party hereby grants the Receiving Party the right to use and disclose the Disclosing Party's Confidential Information to the extent necessary to accomplish the relevant Permitted Purposes. The Receiving Party will only use and disclose the Disclosing Party's Confidential Information to the extent permitted in General Business Conditions.

### 3.4 Exceptions to the obligation of confidentiality

Notwithstanding anything in General Business Conditions of Corporate Service to the contrary, the restrictions on the use and disclosure of Confidential Information in General Business Conditions do not apply to information that: (i) is in or enters the public domain other than as a result of the wrongful act or omission of the Receiving Party or its Affiliates; or their respective Representatives in breach of these Conditions; (ii) is lawfully obtained by the Receiving Party from a third party or already known by the Receiving Party in each case without notice of any obligation to maintain it as confidential; (iii) was independently developed by the Receiving Party without reference to the Disclosing Party's Confidential Information; (iv) an authorized officer of the Disclosing Party has agreed in writing that the Receiving Party may disclose on a non-confidential basis; or (v) constitutes Anonymized and/or Aggregated Data.

### 3.5 Authorized disclosures

#### 3.5.1 Affiliates and Representatives.

The Receiving Party may disclose the Disclosing Party's Confidential Information to the Receiving Party's Affiliates and to those of the Receiving Party's and its Affiliates' respective Representatives who have a "need to know" such Confidential Information, although only to the extent necessary to fulfil the relevant Permitted Purposes. The Receiving Party shall ensure that any of its Affiliates and Representatives to whom the Disclosing Party's Confidential Information is disclosed pursuant to this Condition 5.1 shall be bound to keep such Confidential Information confidential and to use it for only the relevant Permitted Purposes.

#### 3.5.2 Other disclosures

With respect to the Customer's Confidential Information, Bank Recipients may: (i) disclose it to such third parties as may be designated by the Customer (for example, the Customer's shared service center) and to Customer Affiliates; (ii) disclose it to Payment Infrastructure Providers on a confidential basis to the extent necessary for the operation of the Account and the provision of the Services; and (iii) use it and disclose it to other Bank Recipients for the purpose of supporting the opening of accounts by, and the provision of Services to, the Customer and Customer Affiliates at and by the Bank and Bank Affiliates.

#### 3.5.3 Processing, clearing and execution of payment orders

Within the framework of Money Transaction Services and the processing, clearing and execution of payment transactions, for the purpose of executing a payment order, the Bank may disclose data to financial institutions and to payment service providers that are not financial institutions, involved in the processing, clearing and execution of payment transactions.

#### 3.5.4 Legal and regulatory disclosure

The Receiving Party (and, where the Bank is the Receiving Party, Bank Recipients and Payment Infrastructure Providers) may disclose the Disclosing Party's Confidential Information pursuant to legal process, or pursuant to any other foreign or domestic legal and/or regulatory obligation or request, or agreement entered into by any of them and any governmental authority, domestic or foreign, or between or among any two or more domestic or foreign governmental authorities, including disclosure to courts, tribunals, and/or legal, regulatory, tax and government authorities.

### 3.6 Retention and deletion of the information

On closure of Accounts, termination of agreement, each of the Customer and Bank Recipients shall be entitled to retain and use the other party's Confidential Information, subject to the confidentiality and security obligations herein, for legal, regulatory, audit and internal compliance purposes and in accordance with their internal records management policies to the extent that this is permissible under applicable laws and regulations, but shall otherwise securely destroy or delete such Confidential Information.

### 3.7 Data Privacy

#### 3.7.1 Compliance with law

The Receiving Party will comply with applicable Data Protection Law in Processing Disclosing Party

Personal Data in connection with the provision or receipt of Accounts and Services.

### 3.7.2 Compliance with GDPR/Equivalent Laws

Without limiting Condition 3.7.1 to the extent that the Processing of Personal Data is subject to the GDPR or any Equivalent Law: (i) each party is responsible for its own compliance with applicable Data Protection Law; and (ii) the Customer confirms that any Customer Personal Data that it provides to the Bank has been Processed fairly and lawfully, is accurate and is relevant for the purposes for which it is being provided and the Bank may rely on the Customer's compliance with such undertaking and, where applicable, assistance from the Customer pursuant to Condition 3.8 (Legal basis for Processing).

### 3.7.3 Data Security

The Bank will, and will use reasonable endeavors to ensure that Bank Affiliates and Third Party Service Providers will, implement reasonable and appropriate technical and organizational security measures to protect Customer Personal Data that is within its or their custody or control against unauthorized or unlawful Processing and accidental destruction or loss.

### 3.7.4 Purpose limitation

The Customer hereby authorizes and instructs the Bank to Process Customer Personal Data in accordance with General Business Conditions of Corporate Service and to the extent reasonably required for the relevant Permitted Purposes for the period of time reasonably necessary for the relevant Permitted Purposes.

### 3.7.5 International Transfer

The Customer acknowledges that in the course of the disclosures described in Condition 3.5 (Authorized disclosures), Disclosing Party Personal Data may be disclosed to recipients located in countries which do not offer a level of protection for those data as high as the level of protection in the country in which the Bank is established or the Customer is located.

## 3.8 Legal basis for Processing

### 3.8.1 Except as noted in Condition 3.8.2

**(A) When the Customer is the Data Subject:** to the extent that the Customer is the Data Subject of Customer Personal Data Processed by the Bank, then the Customer consents to the Bank's Processing of all of such Customer Personal Data as described in Conditions 3.

**(B) When the Customer is not the Data Subject:** to the extent that the Bank Processes Customer Personal Data about other Data Subjects (for example, the Customer's personnel or Related Parties), the Customer warrants that to the extent required by applicable law or regulation, it has provided notice to and obtained consent from such Data Subjects in relation to the Bank's Processing of their Personal Data as described in those Conditions (and will provide such notice or obtain such consent in advance of providing similar information in future). The Customer further warrants that any such consent has been granted by these Data Subjects for the period reasonably required for the realization of the relevant Permitted Purposes.

3.8.2 To the extent that the Processing of Personal Data is subject to the GDPR or any Equivalent Law then the provisions of this Condition 3.8.2 shall apply:

**(A) When the Customer is the Data Subject:** when the Customer is the Data Subject of Customer Personal Data Processed by the Bank, then the Customer hereby acknowledges that the Bank will Process Customer Personal Data as set forth in the relevant TTS Privacy Statement accessible at <https://www.citibank.com/tts/sa/tts-privacy-statements/assets/docs/GDPR-ClientPrivacyStmnt-EN.pdf> (or such other URL or statement as the Bank may notify to the Customer from time to time) and the Bank may seek consent prior to conducting certain Processing activities from the Customer from time to time as its legal basis for Processing Customer Personal Data under the GDPR or any Equivalent Law.

**(B) When the Customer is not the Data Subject:** when the Bank Processes Customer Personal Data about other Data Subjects (for example, the Customer's personnel or Related Parties), the Customer warrants that it shall provide notice to, and shall seek consent from (and promptly upon the Bank's request shall provide evidence to the Bank of having provided such notices and/or obtained such consents), such Data Subjects in relation to the Bank's Processing of their Personal Data in accordance with any instructions of the Bank from time to time (which may include the form and the manner in which a notice is to be provided, or any consent is to be obtained). In connection with the foregoing, the Customer warrants that it will provide Data Subjects with a copy of the relevant TTS Privacy Statement accessible at <https://www.citibank.com/tts/sa/tts-privacy-statements/assets/docs/GDPR-ClientPrivacyStmnt-EN.pdf> (or such other URL or statement as the Bank may notify to the Customer from time to time).

### 3.9 Employee reliability and training

The Bank will take reasonable steps to ensure the reliability of its employees who will have access to Customer Personal Data and will ensure that those of its employees who are involved in the Processing of Customer Personal Data have undergone

appropriate training in the care, protection and handling of Personal Data.

### 3.10 Audit

The Bank shall provide the Customer with such information as is reasonably requested by the Customer to enable the Customer to satisfy itself of the Bank's compliance with its obligations under Condition 3.7.3 (Security). Nothing in this Condition 3.10 shall have the effect of requiring the Bank to provide information that may cause it to breach its confidentiality obligations to third parties.

## 4. Cooperation and Provision of Information

4.1 The Bank and the Customer shall act in their contractual relationships by taking into account the principles of mutual cooperation and good faith. They shall promptly notify each other of all significant facts, circumstances and changes related to transactions.

4.2 The Customer shall provide all information requested by the Bank, which is necessary for the assessment of the Customer and the transaction. For this purpose, the Customer shall provide the Bank with a copy of its annual financial report and shall allow, upon request of the Bank, the Bank to examine its books and accounting records during regular business hours.

4.3 In accordance with the applicable Hungarian data protection and confidentiality rules, and within the constraints thereof, the Customer is required to provide, at the Bank's request, the data that is necessary for the Bank to comply with its obligations prescribed by the applicable (foreign or domestic) statutory provisions or regulations.\*\*

4.4 In the case of credit/a loan to be used for investment purposes, the Customer shall provide the Bank with written reports on the implementation of the project, in the form and with the frequency specified by the Bank, and shall make available the documents related to the project to the Bank.

4.5 The Customer shall promptly notify the Bank:

- (i) of any material change in its financial, pecuniary and economic condition and business operations, with special regards to any instances in which the Customer wishes to initiate bankruptcy or liquidation proceedings against itself, or the bankruptcy or liquidation proceedings have been initiated against the Customer pursuant to Act XLIX of 1991 on Bankruptcy and Liquidation Proceedings;
- (ii) if execution proceedings have been initiated against the Customer pursuant to the provisions of Act LIII of 1994 on Execution by Court;
- (iii) if it intends to transform through legal succession or dissolves without legal succession or intends to alter its organizational structure in accordance with the provisions of the applicable laws;

(iv) any change effecting its identifiability or legal status;

(v) any change in the company name, address and registered office or rights of representation;

(vi) any material change in the person of its senior officers and executive employees; or

(vii) if the repayment of any debt owed to the Bank which has fallen or will fall due in the future is jeopardized by any circumstances;

(viii) any change in the data provided during identification or any change affecting the person in the name and/or on behalf of it acts on the basis of or without an asset management, representation or other agreement (such person is hereinafter referred to as the "Beneficial Owner") as defined in the law(s) on the prevention and combating of money laundering (hereinafter: Money Laundering Act"), as in force.

The bank hereby excludes its liability for damage arising from failure by the Customer to meet its above obligation and incurred by the Customer or third parties.

4.6 The Customer shall promptly notify the Bank of any change in its economic condition that might adversely affect the fulfilment of its contractual obligations towards the Bank.

4.7 The Customer shall be responsible for ensuring that the information provided by it be accurate and correct and suitable for the Bank to form a true picture of the Customer. The Customer hereby authorizes the Bank to ascertain the truthfulness of the information provided by it and to verify such information in compliance with the relevant laws.

4.8 As part of its obligation to prevent, avert and mitigate damage, the Customer shall promptly inform the Bank if any notification expected by it from the Bank was not received, was not received by it in due time, or the Customer has any complaint with respect to the contents thereof.

## 5. Customer Identification and Representation

5.1 In establishing a business relationship with the Customer and in any other cases defined in the applicable laws, in particular, in the Money Laundering Act, the Bank shall duly verify the Customer's identity, provided that the Customer has not been identified yet in connection with another transaction. During the identification procedure, the Bank shall record data relating to the Customer, the person(s) acting on the Customer's behalf and the orders, as defined in the Money Laundering Act. In addition to the identification defined above, the Bank shall be entitled to ascertain at any time that the Customer is an organization established in accordance with the laws in force.

5.2 In the case of Customers already registered in Hungary, the Bank shall request the following documents or – in the case of electronic company proceeding – the e-file (electronic documentation) submitted to the Company Court

with time stamp and electronic signature) to be submitted for inspection:

- (i) official electronic copy or original of the Deed of Foundation (Articles of Association, Statutes, etc.), in the case of a paper-based original document, the photocopy thereof;
- (ii) official electronic or original or notarized specimen signature of the persons authorized to sign for the company;
- (iii) deed issued not earlier than 30 days by the authority or organization keeping a record of the Customer, stating that the Customer is included in the records; furthermore,
- (iv) the Customer shall state its tax number and statistical code; and
- (v) if required, copies of other official licenses.

In the case of Customers not yet registered, in the absence of a deed issued not earlier than 30 days by the authority or organization keeping a record of the Customer, the electronic certificate or the notarized copy of the paper-based certificate received from the authority or organization keeping a record of the Customer upon submission of the application for registration shall be submitted.

5.3 In the case of Customers incorporated and registered abroad, which have their registered office abroad, the Bank shall request the following documents to be submitted for inspection:

- (i) notarized copy of the Deed of Foundation;
- (ii) original or notarized copies of specimen signatures (sample signature) of the persons authorized to sign for the company;
- (iii) appropriate certificate issued not earlier than 30 days by the authority of the country where the Customer's registered office is located, legalized by a Hungarian embassy or consulate according to the relevant international agreements or provided with an Apostille stating that the Customer has been established and registered under the laws of the country where the Customer's registered office is located.

5.4 In the case of natural persons entitled to act in the name or on behalf of the organisations defined in Sections 5.2 and 5.3, the Bank shall request the following documents to be submitted for inspection:

- (i) resident natural persons' identity card and official residence card, or passport and official residence card, or driving licence card and official residence card;
- (ii) in the case of foreign natural persons, their passport or identity card, provided that it entitles the holder to reside in Hungary, or their residence certification document or residency permit.

5.5 The Customer shall promptly place any other data and declaration defined in the Money Laundering Act at the

disposal of the Bank, which the Bank shall also enter in its records, in particular:

- (i) The Customer shall make a written declaration to the Bank regarding the beneficial owner.
- (ii) Should any doubt arise at any time regarding the identity of the Beneficial Owner, the Bank shall call upon the Customer to make a (second) written declaration regarding the Actual Holder.
- (iii) During the use of Services, the Bank shall be entitled to investigate the origin of funds and may request a written certificate thereof. If the Customer fails to meet such a request of the Bank, the Bank may refuse to credit the cash to the Account.

5.6 The Parties shall cooperate in the interest of compliance with the legal rules governing the prevention and combating of money laundering. If the Customer fails to prove his or her identity or right of representation or fails to complete the declaration on the person of the Beneficial Owner, the Bank shall refuse to enter into the Agreement and the execution of the order.

5.7 With respect to the persons authorized to act on the Customer's behalf, the Customer or the person authorized to act on the Customer's behalf shall notify the Bank, in the form prescribed by the Bank, of the names and signatures of the persons authorized to act on the Customer's behalf. The Bank shall consider the authorization of the representatives notified to the Bank valid until revoked in writing by a person authorized to do so. The Customer shall promptly inform the Bank of any change regarding the authorized persons. The Customer shall indemnify the Bank if the Bank incurred any losses due to the failure to meet its aforementioned obligation of notification.

5.8 If a dispute regarding the authorized persons has arisen between the owners and one of them has notified the Bank thereof, the Bank shall have the right to suspend the execution of all transactions unless otherwise agreed by the parties concerned, and such agreement has been reached in the presence of the Bank or has been acknowledged approvingly by the Bank.

5.9 The Customer, and, if applicable, the person also as a private individual signing on behalf of the Customer represents and warrants that:

- (i) the person acting on behalf of the Customer or entitled to act on behalf of the Customer has the requisite capacity, power and authority to execute and deliver the General Agreement, the Agreement and any other provision and that the representation right of such person is full and is not subject to any limitation that could have an effect on the execution or performance of the General Agreement, the Agreement or any other provision;

(ii) Customer has not withdrawn the mandate of its directors acting on its behalf, and has not withdrawn or limited their right of representation;

(iii) its declaration is not subject to any condition or approval; and

(iv) there are no circumstances under which the Bank is or should be aware of (i) any limitation to the representation right; or (ii) the requirement, or the breach of the requirement, of any condition being satisfied or approved if, in the latter case, the declaration is subject to any conditions or approval.

5.10 The Bank may trust the authenticity of the identity and foreign exchange law status of the Customer or its representative in good faith. The Customer shall warrant the authenticity of all deeds, documents and declarations defined in Section 5 (Customer Identification and representation). The Bank shall be entitled to examine the authenticity, validity and correspondence to the facts of the deeds, documents and declarations in accordance with the provisions of the laws, as in force, and to request appropriate additional documentation or information in connection with the foregoing from both the Customer and the competent authorities, the provision of which is a condition of the establishment and maintenance of business relations. The Bank shall be entitled to request information relating not only to the Customer, but, in the case of a legal entity or unincorporated business association lacking a legal status of a legal entity Customer, also to its founders, members, subsidiaries or other participating interests held in other companies as well as company law and economic details from the Customer.

The Bank shall be entitled, furthermore, to make a photocopy for its records of any original document submitted by the Customer for inspection.

5.11 If the documents defined in Section 5 (Customer Identification and representation) have been drafted in a language other than Hungarian, the Bank shall have the right to request a translation from the Customer prepared by the Hungarian Office for Translation and Attestation at any time, or the Bank shall be entitled itself to have a translation made by the Hungarian Office for Translation and Attestation or by any other translation agency considered suitable by the Bank at the Customer's expense. The Customer hereby authorizes the Bank to debit any of its Accounts kept with the Bank with the amount of such expenses.

## **6. Liability of the Bank**

6.1 The Bank shall not be liable for any damage resulting from the regulations of domestic or foreign authorities, the denial or late granting of the necessary permits by authorities, or caused by unforeseeable and unavoidable events, including, but not limited to, armed conflicts, revolution, state of national emergency, riot, nationalization, natural disasters, breakdown or failure of telecommunications, failure or collapse of any

market, strikes, labour disputes or other circumstances beyond the Bank's control (collectively: "Force Majeure") and for damage which have been caused by events within the Customer's control or influence, or result from non-compliance or late compliance by the Customer with the relevant provisions of the applicable laws, or the provisions of the General Business Conditions, the relevant General Terms of Contract, the General Lending Conditions, the List of Conditions and the Agreement(s).

6.2 The Bank does not take liability or take any financial risk towards the Customer for any diminution due to taxes, duties paid or depreciation in the value of funds credited to the Customer's Account (which may be deposited by the Bank at its discretion in the Bank's own name with such depositories as the Bank may select), or for the lack of availability of such funds due to restrictions on convertibility and/or transferability, requisitions, involuntary transfers, acts of war or civil disorder, distraint of any character, exercise of military or usurped power, or other similar causes beyond the Bank's control, in the case of which neither Citigroup, nor any of its branches, subsidiaries or units is liable.

6.3 The Bank shall not be liable for the authenticity or validity of the documents submitted to it if the false or fraudulent nature or invalidity thereof could not be recognized even by careful verification applied in the usual course of business that may usually be expected from a credit institution.

6.4 The Bank shall have the right to use the assistance of a third party according to its best judgment or, if the Customer specifies a particular contributor in its order, to use a third-party correspondent or agent to the extent necessary for the performance of the Bank's contractual obligations. The Bank shall exercise due care in selecting, advising and overseeing such third party, but otherwise shall not be liable for the actions or omissions of such third party. If the liability of the contributor is limited by law, the liability of the Bank shall be adjusted accordingly. The Bank shall be entitled to use the assistance of a third party to the extent necessary for preventing any damage from occurring to the Customer in order to fulfil the Customer's order.

6.5 Unless otherwise provided by law, the Bank is not liable for any loss incurred by the Customer as a result of the non-performance or the breach of the General Agreement or the Agreement, except for losses incurred as a result of a wilful breach or any breach damaging human life, physical integrity and health or as a result of gross negligence. In case of grossly negligent breach of obligations, unless otherwise provided by law, the Bank shall be liable only for the direct losses suffered by the Customer (excluding the loss profit and other consequential losses).

For the purposes of the above, 'gross negligence' means any behaviour of the Bank which is a result of gross carelessness, recklessness, lack of required qualification or repeated negligence provided that such behaviour constitutes a breach

of the rules and regulations, codes of conduct or policies of the Bank or the relevant applicable laws but excluding behaviour induced by human errors, thoughtlessness, wrong assumptions, or misunderstandings.\*

6.6 Subject to the statutory limitations, the Customer hereby expressly waives any of its rights (including, in particular, claiming damages) it may have against the director of the Bank associated with the General Business Conditions, the General Agreement or the Agreement entered into between the Customer and the Bank. Directors of the Bank may directly refer to this limitation of liability.

## **7. Means and Forms of Communication**

7.1 Under the agreement between the Bank and the Customer, the Customer and the Bank shall liaise through electronic or Internet banking services, by telephone, facsimile, coded facsimile, letter, registered letter and/or registered letter with return receipt requested, coded telex or an electronic means of communication accepted by the Bank.

7.1.2 The Bank reserves the right, in justified cases, to suspend the Services availability for maintenance. The Bank undertakes to inform the Customers of such Service Interruption and its expected duration through CitiDirect.

7.2 The Bank and the Customer may also agree on a special form of communication. In such a case, the Bank may refuse the execution of orders received by the Bank in forms other than prescribed or approved in the agreement between the Bank and the Customer, or given through other data carriers or means of communication not approved by the Bank.

7.3 In the event that the Customer and the Bank agree on a method of communication by telephone or an electronic data carrier (e.g., e-mail), the Customer hereby declares that it is aware of the risks inherent in communication by telephone, the publicly used Internet and e-mail, and that it expressly requests and accepts the forwarding of any data which constitutes a bank secret and pertains to the Customer by telephone or e-mail in the knowledge of, and assuming, these risks, even if no encrypting is used by the Parties in e-mail communication. The Bank shall not be liable for damage arising from the failure of the (telephone) lines, wrong pronunciation or mishearing due to the quality of the lines.

7.4 The forms, data carriers, equipment and other communication devices put at the Customer's disposal by the Bank shall be kept and handled by the Customer with due care and shall be used in accordance with the terms and conditions set forth in separate agreements signed by the Customer and the Bank.

7.5 In case the Customer uses a facsimile for transmitting payment orders, it shall ensure that the equipment is located in a safe room with limited access.

7.6 If the Customer becomes aware of any irregularity with respect to the forms, data carriers, equipment and communication devices or becomes aware of any loss, unlawful theft or misuse thereof, it shall immediately notify the Bank thereof. Until notification is received by the Bank, any consequence shall be borne by the Customer.

7.7 If the Customer sends the orders by way of coded facsimile, facsimile or the Customer and the Bank agree on the acceptance of orders by way of telephone, the Customer shall accept that it shall not be entitled to request the original copies of such communications in proceedings conducted before any court, arbitration tribunal or authority.

7.8 The Bank shall accept the following documents and orders from the Customer by facsimile:

- (i) giving transfer orders or sending requests for amendment, correction, deletion or reimbursement regarding the Customer's account;
- (ii) instructions for spot collection orders and direct debit;
- (iii) instructions regarding the opening or breaking of a deposit, or modifications of instructions regarding the opening a deposit;
- (iv) initiating payments via postal order;
- (v) making complaints regarding any Service used by the Customer from the Bank;
- (vi) request to reissue account statements and issue certain certificates;
- (vii) sending information not considered to be a payment order to the Bank.
- (viii) Secondary account identifier registration/ deletion/ modification

7.9 If the business relations between the Customer and the Bank are terminated or if the Bank placed the given equipment, data carrier or communication device at the Customer's disposal for the given purposes or for the use of a specified Service, after the termination of the given transaction or the legal relationship relating to the provision of the given Service, the Customer shall, without delay, return to the Bank any unused forms, other data carriers, equipment and communication devices that the Bank may have placed at the Customer's disposal.

7.10 The official language of liaison between the Bank and the Customer shall be Hungarian. The Parties may jointly stipulate English as language of liaison.

## **8. Place and Date of Performance**

8.1 The place of performance of the contractual obligations arising from the business relations between the



Bank and the Customer shall be the registered office of the Bank. Before the Customer makes a legal declaration aimed at making a payment order, the Bank shall inform the Customer of the duration of the performance of the given Service and, item by item, of all fees or charges payable to, or payment obligations assumed towards, the Bank in the form of an announcement available at the cashier desk of the Bank as well as pursuant to the provisions of the General Business Conditions, the General Terms of Contract, the General Lending Conditions, the Lists of Conditions and the Agreements applicable to the Customer, available on the Internet website of the Bank.

8.2 In the event that the Customer's Account is kept by the Bank, the effective date of any payment made by the Customer to the Bank shall be the date on which the Customer's Account is debited by the Bank. If the Customer discharges its payment obligation towards the Bank to the debit of an account kept with an entity other than the Bank, the effective date of the payment by the Customer to the Bank shall be the date on which the due amount is credited to the Account provided by the Bank.

8.3 The rules for crediting to an account in respect of the individual methods of payment are set forth in the List of Conditions.

8.4 In case of a direct cash payment to the Customer's bank Account at the cashier's desk of the Bank, the Bank shall credit the amount on the day of payment.

8.5 The Bank shall fulfil its responsibilities arising from transfer orders to and from accounts kept abroad at the date and under the terms specified in the List of Conditions.

8.6 The Bank shall have the right to ask questions from the Customer regarding the legal title, nature and background of the order and the Beneficial Owners prior to the execution of the orders. If the Customer provides an incomplete or no answer, or if the Bank cannot execute the order based on the answers provided, the Bank shall be entitled to deny the execution of the order and shall not be liable for consequences which may arise therefrom.

## **9. Delivery of Documents**

9.1 Unless agreed to the contrary, the method of the delivery of documents shall be decided by the Bank at its sole discretion.

9.2 Unless otherwise instructed by the Customer, the Bank shall decide on forwarding documents, bills of exchange, cheques and other consignments in its sole discretion, exercising due care that may be expected from financial

institutions. The cost and the risk of forwarding shall be borne by the Customer.

9.3 Any written declaration, contractual offer, notice or document, sent by the Bank to the Customer or the Customer's representative acting on the Customer's behalf and duly posted as a letter to the address provided by the Customer, shall be deemed to have been duly notified to, and served on, the addressee even if the letter could not have been served in reality, or the addressee did not come to know about it after the eighth day from the day of the first delivery attempt by the post of such letters; if it is not possible to determine the above date, on the day when the undelivered letter was returned by the post to the sender. The Customer is aware that the Bank is not obliged to post its above-written declarations with return receipt requested; they shall be deemed to have been posted if a copy thereof and a record of the dispatch thereof are at the disposal of the Bank. The Customer hereby declares that with regard to its obligation to give notice and serve declarations, it shall ensure that it continuously has a person (representative) entitled to receive postal consignments at the address for the service of documents provided by it, during the term of the banking relationship between the Bank and the Customer. Failing to comply with the above, it may not refer to the lack of such person (representative) entitled to receive the consignments in order to gain benefits. Any notice sent by the Bank to the Customer to an electronic or Internet banking system used by the Customer, or to a facsimile or telex number or e-mail address provided by the Customer shall be deemed to have been received on the date of transmission.

## **II. Orders and Bank Accounts**

### **10. Acceptance of Orders**

10.1 Excluding communication via electronic banking services, orders shall be given in writing on the forms placed by the Bank at the Customer's disposal or in the form agreed and approved by the Customer and the Bank. The Bank shall accept orders that conform in form and content with the requirements set by the relevant laws, instructions of the central bank and the Bank. Orders which do not meet the above requirements shall not be executed by the Bank. The Bank shall not be liable for any damage arising from such refusal.

10.2 The Bank shall only accept orders from the Customer by telephone pursuant to a specific written agreement in writing, except for the case defined in Section 18.7.

10.3 The Bank shall accept orders or communications given or made by facsimile under Section 7.8 on the condition that they are sent to the facsimile number designated by the Bank and given to the Customer for this purpose. Payment transactions may be carried out, except for transfers of funds by court order and orders to transfer funds, if the payer has approved it. The following shall qualify as approval: signature of the Customer's representative authorized in the records

system of the Bank affixed to a written commission or a commission sent by fax, his or her verbal approval given on a line recorded on the Bank's telephone system or, in the case of communication through electronic banking services, including the SWIFT system, approval of the payment transaction in the electronic system, in accordance with the characteristics of the given system. The Customer acknowledges that the signature of a bill of exchange made out by it in respect of the bank managing the collection of a bill of exchange shall be deemed approval of the payment order and waiver of the adjustment thereof. The Customer acknowledges that the signature of the Signature Mandate made out by it and the addition of a clause thereto by the bank of the payer in respect of collection on the basis of the Signature Mandate shall be deemed approval of the payment order and waiver of the adjustment thereof.

10.4 The Bank shall examine the signatures appended to the written orders related to the Customer's bank Accounts and other banking transactions to verify that the signatures are identical to the sample signature submitted by the Customer. The Bank shall refuse to execute orders that are not signed in accordance with the signature mandate available to the Bank and shall notify the Customer thereof. The Bank shall not be liable for the consequences of executing false or fraudulent orders, the false or fraudulent nature of which could not be discovered after taking reasonable care. Any damage, losses and/or costs related thereto shall be borne solely by the Customer.

10.5 From among any orders submitted by post or facsimile or at a branch, the Bank may only accept those from its Customers which bear a due signature. An order shall be deemed to have been duly signed if it was signed by the signatories authorized to submit orders and submitted to the Bank, in a way which corresponds to the specimen signature submitted on the form entitled "Signature Mandate" used by the Bank (hereinafter: "Signature Mandate"), below or next to the correct full or abbreviated corporate name of the company stamped/pre-printed/type-written or printed in block capitals, as registered by, or submitted for registration to, the competent authority. The Customer hereby acknowledges that a pre-printed company name or logo shown in the header or footer of corporate letterhead shall not substitute for the company name required to be indicated next to or below the signature. The Customer hereby also acknowledges that if the Bank fails to execute or is late in executing an order due to the lack of such due signature, as described in the present Section, the Bank shall not be liable for any losses arising therefrom.

10.5.1 The payment service provider shall ascertain the account holder's entitlement for using the Secondary account identifier or for the modification or deletion of a registered Secondary account identifier. The Secondary account identifier registration/deletion/modification request is transferred to the central database only after successful confirmation process. If the confirmation process fails, the Bank shall reject acceptance of the registration of the

Secondary account identifier, or any request for the modification or deletion of a registered Secondary identifier. The Bank based on the regulation notifies the Customer once a year, at least 30 days prior to the expiry of the prescribed period as regards the validity of the registered Secondary account identifier. If data reconciliation fails within the deadline the Secondary account identifier shall be cancelled at 0:00 hours of the day following the expiry of the deadline, of which the Bank shall immediately inform the organization operating the central database, which shall delete it from the central database.

10.6 The Customer shall be responsible for ensuring that the orders given by it comply with the provisions of the Hungarian laws, as in force. The Bank shall refuse the execution of the order if it notices that the Customer is in breach of the provisions of the laws referred to above and shall notify the Customer thereof.

10.7 Unless agreed to the contrary, orders shall only be accepted by the Bank by the final cut-off time for the submission of orders as defined in the List of Conditions. If the Bank receives any posted or otherwise served orders after the customer service hours of the Bank branch or the predefined final cut-off times for the submission of orders, such orders shall be considered received on the following banking day. In accordance with its internal procedural rules, the Bank shall affix a stamp acknowledging receipt to all incoming mail, which shows the date and exact time of receipt. The Bank's records shall govern with regards to the time of receipt of the orders.

10.8 The Bank shall make available its information bulletin regarding customer service hours for telephone and in-branch services and the closing time on banking days on its business premise. The Bank may alter its customer service hours at any time and shall inform the Customer thereof.

10.9 The cut-off times set by the Bank for the acceptance of orders and the deadlines for performance may change from time to time. Such changes shall be notified by the Bank to the Customer in its prevailing List of Conditions.

## **11. Execution of Orders**

11.1 The Customer acknowledges that the Bank requires a reasonable period of time to execute orders depending on the nature and scope of the given order, taking into consideration the general business practices of credit institutions in Hungary and abroad, as well as the provisions of the laws, as in force.

11.2 If the Customer requests an order to be executed which deviates from the general practice or it requires to be executed by a specified date, it shall provide sufficient time for the Bank for execution and for taking the measures necessary for forwarding. The Bank may not be held liable for any damage or loss which may arise therefrom if no time required for performance was available to it.

11.3 Before the Customer would forward orders or communications by coded facsimile, facsimile, telephone, post, courier or personal submission (manually) to the Bank, the Customer shall authorize, by duly signing the Signature Mandate, the persons entitled to forward orders other communications to the Bank on the Customer's behalf by such means, precisely indicating the scope and limitations of their authorization. In the Signature Mandate, provision shall be made for the signature authorization (joint, individual) and the following limitations may be specified: general amount limit or amount limit by order types.

The Signature Mandate shall take effect not later than on the fifth banking day following the submission thereof to the Bank; if, however, the Signature Mandate is incomplete, erroneous or otherwise inadequate, the Bank shall notify the Customer.

The Customer shall be entitled to modify the Signature Mandate at any time and shall notify the Bank of such modifications by way of a new Signature Mandate duly signed by its authorized representative and submitted in original; the Customer shall proceed in the same manner if it wishes to terminate the signature authorization of an authorized representative stated in the Signature Mandate.

11.4 In executing orders, the Bank requires that the Customer provide the data necessary for the execution of the order accurately and unambiguously. In the absence thereof, the Bank may refuse to execute the order. The Bank is not obliged to verify the correctness and accuracy of any data provided by the Customer to the Bank. The Bank shall not be responsible for any damage or loss arising from the execution or non-execution of orders which contain incorrect data.

11.5 The Bank shall accept paper based initiated orders, however, the Bank has no obligation to examine the content of such paper based initiated orders or other communications received by it. The Customer shall be bound by, and the Bank shall be entitled to proceed in accordance with, such orders. The Bank shall have the discretionary right to execute or not to execute, and/or to request confirmation of, any manually forwarded order. The Bank shall have the right to suspend execution until confirmation is received by the Bank from the Customer.

11.6 The Customer acknowledges that the security procedures prescribed by the Bank are only aimed at identifying the person who forwards the communication and not at finding errors in, or finding out the content of, the order.

11.7 Except for the Bank's gross negligence, bad faith or intentional breach of its obligation, as long as the Bank acts in compliance with the Signature Mandate, the Customer shall reimburse the Bank for any damage incurred by the Bank and the Bank shall not be liable for the reimbursement of any cost or loss incurred by the Customer. The Customer declares, furthermore, that it is aware that the Bank does not examine

whether the person(s) submitted in the Signature Mandate meets (meet) the conditions prescribed in other laws.

11.8 The Customer consents to the tape recording by the Bank of telephone calls relating to the confirmation of payment orders for the protection of the business interests of the Customer and the Bank. The Bank shall qualify such recordings as bank secret and shall treat them in accordance with the provisions of Section 3 of the General Business Conditions.

11.9 The Bank shall not execute payment orders given to the debit and, with the exception of the founder's/founders' assets, to the credit of the Money Transaction Account of business association or cooperative Customers kept with the Bank until the Customer has submitted to the Bank a copy of its application for registration officially received by the competent authority and the Customer has provided its tax number and statistical code.

11.10 The Bank shall not execute payment orders given to the debit and, with the exception of the founder's/founders' assets, to the credit of the Account of other legal entity Customers established through registration until the Customer has been registered on a final and non-appealable basis.

11.11 The Customer is aware that the Bank shall be entitled to refuse the execution of certain orders on the basis of restrictive measures applicable to the Bank or stipulated either in the law or international agreements or to be followed or followed by the Bank. The Bank takes no liability for any damage caused to the Customer and/or third parties by such refusal.

## **12. Recall, Withdrawal, Modification, Correction, Refund and Refusal by the Bank of Orders**

12.1 The Customer may recall or modify its payment orders within the period defined in the List of Conditions as follows. Any cost arising from the recall or modification shall be borne by the Customer as defined in the List of Conditions. The Bank takes no liability for any damage incurred by the Customer, arising from the recall or modification of payment orders.

12.1.1 The Bank shall accept modification orders in writing until the time specified in its List of Conditions, as in force, and the Bank shall make every reasonable effort to execute any modification requests duly submitted by the Customer in time, however, the Bank takes no liability for the possible non-execution of the modification of an order.

12.1.2 The Bank shall not be able to modify the following orders:

(i) transfer orders via the GIRO system and internal book-entry transfers within the Bank ,

- (ii) any VIBER transfer orders permanently entered in the books by the Bank,
- (iii) standing transfer orders (in the case of any change, the standing order shall be withdrawn and a new one shall be submitted),
- (iv) orders with respect to the execution of which the Bank issued a certificate on the day of execution,
- (v) transactions carried out with bank cards.

12.1.3 The Customer may modify a submitted order by way of a duly signed letter as per the Signature Mandate, as in force. The Customer shall conspicuously indicate in the modification that it is a modification request, and shall also unambiguously indicate which part and with what contents it wishes to modify its previous order.

12.2.1 The Bank shall accept duly signed cancellation orders as per the Signature Mandate, as in force, in writing, until the time specified in its List of Conditions, as in force. The orders submitted may be cancelled before they are booked. The Bank shall make every reasonable effort to execute any cancellation requests duly submitted by the Customer in time, however, the Bank takes no liability for the possible non-execution of the cancellation of an order.

12.2.2 The Bank shall accept a recall order in writing by the date specified in the effective List of Conditions, duly signed in accordance with the authorization level in force at any time. The Bank does not guarantee the successful fulfillment of the Client's recall orders, and assumes no liability for failure to do so. The amount of the order is credited upon receipt by the beneficiary's bank, or in case of intra-bank transfer orders, after the beneficiary has given his consent to the cancellation, with the value date of return or confirmation, by deducting any fees charged by the beneficiary's bank and, in the event of conversion, by the exchange rate applied by the beneficiary's bank.

The additional rules and conditions pertaining to the recall and cancellation of the transactions are included in Chapters I and II of the Bank's List of Conditions applicable to the Payment Account of Corporate/Medium-sized Companies.

12.2.3 The Customer may initiate the correction of a payment transaction which has not been approved or which has been approved but has been carried out incorrectly forthwith after the fulfilment of the payment order, but not later than within 90 days following the performance of the payment transaction. This deadline does not apply to the case when the Bank has failed to fulfil its prescribed obligation to provide information subsequently, after the payment order. The Bank shall examine the request for correction and shall fulfil such request for correction forthwith, depending on the result thereof. In the case of Micro-enterprises only, the Bank is obliged to prove that, in the case concerned, the payment transaction was approved in advance by the Customer, the payment transaction was appropriately recorded, and the

execution thereof was not prevented by a technical fault or malfunction in the service provided by the Bank. In the event of the execution of a non-approved payment transaction, the Bank – after learning or being informed of the transaction – is obliged to refund the amount of such payment transaction without delay, but no later than by the end of the following business day, to the paying party, and to restore the status of the payment account preceding the debiting.

12.2.4 Only in the case of Microbusinesses and in the case of payment transactions initiated by or through the payee and approved by the payer, the Bank shall repay the amount of the payment transaction in the case defined in Section 46, subsection (1) of the MTA if the Customer proves that the conditions of repayment defined by law are fulfilled. The Customer does not have to prove fulfilment of the conditions determined in Section 46 (1) of the Payment Services Act for refund of collections under Article 1 of Regulation (EU) No 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009. The Customer may enforce its claim for repayment for 56 days from the date of debiting the payment transaction. The Customer may not refer to additional charges incurred by it in connection with exchanging currencies. The Customer is not entitled to repayment if it has given the Bank approval to the payment transaction and the Bank has fulfilled its obligation to provide information on the payment transaction in advance as regulated in Section 8.1 28 days prior to the fulfilment of the payment order.

#### 12.2.4.1 Terms of Refund Procedure:

If claiming a refund of a disbursement effected on the basis of the group collection order, the Customer shall attach the original or notarized copy of the following documents:

- (i) contract existing between the collector and the Customer, serving as a basis for group collection order specified in the refund request form, which also contains the current rates of the collector; if general terms of contract or a code of business practice is also attached to the contract, the text in force of such general terms of contract or code of business practice is also to be attached.
- (ii) all invoices made out by the collector to the Customer in the two years preceding the submission of the group collection order specified in the refund request form and the bank account statements or bank certificates certifying the payment of such invoices or, in the case of disbursements effected in other ways, any other document certifying the fact of disbursement (e.g., postal payment order slip). If the period of the legal relationship between the collector and the Customer is less than two years, all invoices of the collector made out since the beginning of the legal relationship shall be attached.
- (iii) the Customer's written declaration stating that the Customer authorizes the Bank to contact the collector in order to clarify the legitimacy of the refund claim, to request data

and information from the collector on the service used by the Customer, the legal relationship between the collector and the Customer, the terms of contract and the receivables enforced in the objected group collection order, and which authorizes the collector to place such data and information at the disposal of the Bank;

(iv) the complaint lodged by the Customer, submitted to the collector in writing, relating to the group collection order specified in the refund request form, which contains detailed reasoning for the complaint, supported by facts, as well as a slip certifying the posting or service in another way of the complaint to the collector.

If claiming a refund of a disbursement effected on the basis of direct debit based on a letter of authorization, the Customer shall attach the original or notarized copy of the following documents:

- (i) contract relating to the legal relationship between the payer and the payee, serving as a basis for the letter of authorization,
- (ii) relevant documents certifying performance by the parties in the legal relationship,
- (iii) any document submitted on the basis of the authorization, certifying the illegitimacy of direct debit effected by the Bank.

12.2.4.2 If the Customer does not place any or all of the above documents required for the credible assessment of the matter in the given case at the disposal of the Bank, the Bank shall forthwith, within a period of 10 days available to it, request the Customer to supplement the missing information, i.e., to submit for inspection additional documents required for assessment by the Bank. If not all documents are submitted to the Bank within 56 days following the objected debit, the Bank will reject the Customer's claim for refund without examining it on the merits. Depending on the circumstances of the case, the Bank shall have the right to request the Customer to submit documents other than those specified in the above sections or other evidence in order to ascertain the fulfilment of the conditions of refund defined by law in a credible way.

12.2.4.3 In establishing the reasonably expected amount, in addition to the invoices and contracts attached by the Customer, the Bank shall take into account the amount of the invoices paid by the Customer to the given collector prior to the refund claim, the payment limit specified by the Customer, as well as all circumstances that may influence the use of services provided by the collector (e.g., a change in the service provider, a change in the fee structure of the given service provider, the condition, possible failure or replacement of equipment and devices in use at the Customer and required for using the given service, events of force majeure which have occurred within the Customer's control, etc.).

12.2.4.4 The Bank reserves the right to initiate conciliation with the collector on the Customer's refund claim and the legitimacy of the direct debit. If the collector provides credible proof of the legitimacy of the direct debit to the Bank within a

deadline of 56 days from the date of debiting of the payment transaction, the Bank shall reject the Customer's refund claim.

12.2.4.5 The Bank shall examine the refund claim received in writing within the deadline of 56 days and supported by appropriate documentary evidence within 10 banking days and shall refund the amount of the payment transaction to the paying Customer or shall reject the claim provided with reasoning and information on forums aimed at the settlement of a (possible) legal dispute out of court.

12.2.4.6 If the Bank accepts the Customer's refund claim and refunds the Customer the amount of the objected direct debit but subsequently the legitimacy of the objected direct debit is proven in the consultations with the collector, the Customer shall repay the Bank the amount refunded to it by the Bank or the Bank is entitled to debit the amount refunded to the Customer to any Payment Account of the Customer kept with the Bank.

12.2.4.7 If the head office of the money transaction service provider of the payee is located outside the territory of the EEA States or if the Customer is not a Microbusiness, the Bank shall not be bound by the repayment obligation defined in Section 46 and Section 47 of the MTA.

12.2.5 In the case of Microbusinesses, if the payment transaction has been initiated directly by the payer, the bank of the payer shall be liable for the defective performance of the payment transaction unless it proves that the amount of the payment transaction has been received by the bank of the payee. If the bank of the payer is liable, it shall pay the amount of the payment transaction to the payer forthwith, and shall restore the status of the Payment Account as if the defectively performed payment transaction had not been carried out. The value date of crediting on the paying party's payment account may not be later than the date of debiting with the amount. If the payment transaction is reversed, the Bank shall track the unperformed or defectively performed payment transaction and shall engage in a conduct as may be expected in the given situation.

12.2.6 In the case of Microbusinesses, if the payment transaction has been initiated by or through the payee, the bank of the payee shall be responsible for forwarding the payment order to the bank of the payer and fulfilling it in accordance with the law, which, if liable, shall ensure that the amount of the payment transaction credited to the account of the payee be at the disposal of the payee. In this case, the value date of crediting on the beneficiary's payment account may not be later than the day on which faultless execution would have taken place. If the payment transaction is reversed, the bank of the payee shall track the unperformed or defectively performed payment transaction and shall engage in a conduct as may be expected in the given situation. The Bank shall not apply the provisions of Sections 12.2.6. and 12.2.7 if the Customer is not a Microbusiness or if the head office of the bank of the payee is located outside the territory of the EEA States.

12.2.7 The Customer acknowledges that unless otherwise provided by law or the Lists of Conditions, the Bank may refuse payment orders on the Payment Account which cannot be fulfilled due to insufficient balance on the Payment Account without queuing. The Bank takes no liability for orders not executed due to insufficient balance. If the Bank refuses to fulfil the payment order, it shall notify the Customer thereof in the manner specified for liaison by the customer segment or, in the case of a court order to transfer funds and an order for the transfer of funds by court order submitted by the payee directly to the bank of the payer, shall notify the entity submitting the court order to transfer funds and the payee of the fact of, and reason for, the refusal in accordance with the law.

### **13. Opening of Accounts**

13.1 The Bank shall only open an Account for the Customer if the Customer provides the Bank with the documents necessary for the Customer's identification, prescribed under applicable law and otherwise required by the Bank in accordance with the provisions of the General Business Conditions.

13.2 All Payment Accounts opened and kept by the Bank shall bear the Customer's name (corporate name) and carry an account number as provided for in the account agreement. Accounts opened by the Customer with the Bank for various purposes comprise a unity of Payment Accounts and are segregated only for accounting purposes and executing the Customer's orders. The unity of Payment Accounts has no effect on the possibly different interest rates applied to the individual Accounts.

13.3 The Customer may grant authorization to third parties to dispose of the Customer's Payment Account. The authorization shall be set forth in a written instrument and duly signed, with an exact specification of the details and term of the authorization.

### **14. Account Statements**

14.1 Unless expressly agreed to the contrary, the Bank shall send the Customer account statements that confirm the debits and credits made to its Payment Account(s) as well as the balance of the Payment Account on a monthly basis. The Parties agree that in the case of payment orders based on the Agreement, the Bank shall provide information subsequently as defined in Section 23, subsection (1) and Section 26, subsection (1) of the MTA to the Customer as part of sending or making available its account statements.

14.2 The Bank shall be notified in writing of any objections relating to the balance of the Payment Account or the individual items of the account statement within 15 days of receipt of the relevant account statement.

14.3 The Bank shall be entitled, without giving prior notice to the Customer, to correct any incorrect credits/debits made by the Bank to the Payment Account by debiting/crediting the Payment Account prior to executing any other order. The Bank shall notify the Customer of the correction.

### **15. Right of Set-Off**

15.1 The Customer acknowledges and agrees that the balances on its Payment Accounts serve as cover for the Customer's then-current liabilities towards the Bank. If the Customer fails to meet any of its payment obligations towards the Bank when due, the Bank shall be entitled to enforce its claims through set-off, including any claims arising from investment services, by debiting any Payment Account of the Customer without prior notice to the Customer, and if the Bank keeps a customer Account for the Customer as specified in the provisions of the at any time applicable Act on Capital Markets or otherwise applicable law, by debiting such customer Account after prioritized payment orders as defined by law, but before any other payment order.

15.2 If the Customer does not meet its payment obligations towards the Bank, the Bank shall have the right to refuse the execution of the Customer's payment orders to the credit of third parties. The Bank shall not be liable for any damage or loss resulting from such refusal and incurred by the Customer or any third party.

15.3 Claims denominated in a foreign currency shall be set-off and payment obligations shall be set off against accounts kept in another currency at the exchange rate determined by the Bank on the date of set-off.

15.4.1 If the Bank deems it necessary, it shall notify the Customer in advance that it will exercise its right of set-off unless, in the judgment of the Bank, providing such notice would prejudice the rights of the Bank or would prevent it to exercise its right of set-off.

15.4.2 The Customer is not entitled to set-off any of its claims against the Bank, and it shall always fully perform its payment obligations towards the Bank. The Customer's payment obligation set forth in this Section does not affect the obligation of the Bank to pay the amount(s) due to the Customer.

### **16. European Monetary Union and Other Changes in Currency**

If the currency of one or more countries changes in such a way that it affects the relations between the Customer and the Bank or the Agreement concluded between the Bank and the Customer, including, in particular, the case where a new currency is introduced to replace any currency,



- (i) the Agreement shall remain in force;
- (ii) the above event may not be deemed Force Majeure; and
- (iii) (if the old currency ceases to exist as a legal tender, as of the date thereof) the obligations of the Bank and the Customer expressed in the old currency shall be kept a record of and met in the new currency, with the proviso that unless separately agreed, the Bank may in good faith specify the manner and conditions of the performance of the obligations. The Bank and the Customer agree, if necessary, to make every effort to amend and supplement the Agreement in accordance with the foregoing.

### **III. Specific Banking Transactions**

The Bank shall effect payment by the individual methods of payment defined in the MTA and the Decree of the National Bank of Hungary pursuant to the provisions of the laws, the General Business Conditions, the General Lending Conditions, the General Terms of Contract, the Lists of Conditions and the individual documents associated with the use of the given methods of payment.

#### **17. Target balancing**

17.1. Target balancing is a Money Transaction Service provided by the Bank according to an Agreement with one or more Customer(s), based on which Agreement the Bank executes automatic credit and/or debit transactions on the Money Transaction Accounts of the Customer(s) receiving the target balancing Service with the purpose of periodically and repeatedly achieving the account balance defined in the Agreement.

17.2. Only a parent company (as defined in Section 38 of Annex 2.III. of the CIFEА) and/or the subsidiaries (as defined in Section 39 of Annex 2.III. of the CIFEА) of the same parent company may receive target balancing Services and exclusively for group financing purposes as defined in Section 10.2.e) of Annex 2.I. of the CIFEА.

17.3. The Customers receiving target balancing Services warrant that they comply with the requirements defined in Section 17.2 and undertake to promptly notify the Bank in writing should the requirements in Section 17.2 not be met by any or all of the Customers participating in the Agreement on the respective target balancing Service. The Clients who breach the warranty or notification obligation stipulated in this Section shall indemnify the Bank for any loss (including any tax or duty that the Bank failed to pay based on the warranty provided by the Customers in this Section and penalty and late interest payable due to such failure) that arises at the Bank due to the breach of warranty or notification obligation stipulated in this Section.

#### **18. Deposit Transactions**

18.1 The Bank shall accept deposits in Hungarian forints and foreign exchanges from the Customer. Deposits placed under the General Business Conditions are insured in accordance with the conditions specified by the Irish Deposit Insurance System on the basis of the related legal rules and EU directives.

Detailed information concerning the essential questions concerning the Irish Deposit Insurance System – amongst others types of the deposits subject to the insurance, the extent of the insurance, the compensation payment procedure and the claim enforcement procedure – is provided in the bank branches and the prevailing publications available on the Bank's home page.

18.2 The rate of interest payable on deposits is determined by the Bank according to method published in the Lists of Conditions.

The Bank shall publish the unified deposit rate index (“*EBKM*”) calculated for deposits accepted by the Bank in the List of Conditions and shall define it in the Agreement.

18.3 The Bank shall deduct withholding tax, if any, from the amount of interest payable as may be required by Hungarian law. The deduction of withholding tax shall take place on the same value date on which the interest is paid.

18.4 Unless agreed to the contrary, payment of interest on term deposits shall be made at the expiry of the deposit term. If the Customer terminates the term deposit prior to the maturity thereof, it shall acknowledge that with such termination, it may lose the interest or a part thereof. The interest rate to be applied, which may be fixed or variable, shall be agreed upon by the Bank and the Customer at the initiation of the deposit transaction.

18.5 The Bank shall also accept orders for the placement of deposits from the Customer's accounts kept with the Bank by facsimile, original letter and via electronic and Internet banking systems.

18.6 Unless expressly agreed to the contrary by the Bank and the Customer, the Bank shall accept orders for placing or breaking a deposit, or the modification of an order made for placing a deposit from the Customer by fixed-line telephone as well. The Customer hereby consents to the tape recording by the Bank of telephone calls relating to orders for the placement of deposits in order to protect the business interests of the Customer and the Bank. The Bank shall qualify such tape recordings as bank secret and shall handle them in accordance with the provisions of Section 3 of the General Business Conditions.

18.7 The Bank shall notify the Customer of the terms and conditions of deposit placement in writing. The Customer may lodge a complaint in writing about such terms and conditions

within 15 days of receipt of such notification. In the absence thereof, the Bank shall consider the confirmed terms and conditions of deposit placement as irrevocably accepted by the Customer.

18.8 The Customer acknowledges that its term deposits secure the payment obligations of the Customer against the Bank, therefore they may be used for set-off (15. Right of Set-off) against its liabilities towards the Bank.

## **19. Credit (Loan) Transactions**

19.1 The Bank shall only carry out its credit transactions (including overdrafts) in accordance with the terms and conditions of a written credit/loan agreement. The Bank may maintain any type of credit limit or loan against collateral arrangements acceptable by the Bank. Such collateral may include, without limitation, a lien, mortgage( cash collateral deposit) as well as surety and guarantees acceptable to the Bank.

19.2 The Bank shall decide on the credit application on an individual basis and on the basis of the Customer's financial, legal and economic condition as well as the analysis and evaluation of the collateral to be provided.

19.3 If, as a result of a change in law or the amendment of the regulations of the National Bank of Hungary or any governmental instrumentality or authority, furthermore, as a result of changes in the money and capital markets, there shall be any increase in the costs of the Bank to provide, finance or commit any credit facility, the Customer shall reimburse the Bank any amount sufficient to pay such increased costs, taking into consideration provisions set forth in Section 2 of the General Terms and Conditions.

19.4 The Bank may refuse to hand over the amount of the loan specified in the credit and/or loan contract if it proves that, subsequent to the conclusion of the Agreement, a material change occurred in the circumstances of either the Bank or the Customer as a result of which the performance of the credit and/or loan contract may no longer be expected or the credit and/or loan contract is to be terminated.

## **20. Bill of Exchange and Cheque Transactions, Postal Orders**

20.1 If the Bank discounts bills of exchange or effects payments against cheques submitted to the Bank for collection, the Bank shall be entitled to redebit the Customer with the sum paid plus interest thereon and expenses if such bills of exchange and cheques are not paid upon presentation thereof or if

(i) disbursements relating to such bills of exchange and cheques are limited by law, or

(ii) the bills of exchange and cheques cannot be presented at all or within a certain time due to insurmountable obstacles, or

(iii) a moratorium has been declared, or

(iv) circumstances similar to those described under paragraphs (i) to (iii) arise in the country where the bills of exchange and cheques are payable, even if the Bank cannot dispose of the bills of exchange and cheques.

20.2 Upon request from the Bank, the Customer shall transfer to the Bank its claims arising from the legal relationship serving as a basis for the issue of the bill of exchange and all present and future rights related to the underlying transaction, including all collateral.

20.3 The Bank shall honour bills of exchange which are presented to the Bank for payment if the Customer has provided the necessary cover therefor and such payment does not violate any law.

20.4 The Bank shall perform the Services defined by law in respect of payments effected by cash transfer order/express cash transfer order to the credit of Payment Accounts and of disbursements on domestic and international postal orders at postal service points, within the scope defined therein, in accordance with the General Terms of Contract for Money Transaction Services and Business Rules for Money Transactions of Magyar Posta Zrt. (Private Co. Ltd.), the relevant contract between Magyar Posta Zrt. and the Bank and the relevant legal rules. The Bank shall not be liable for the services performed by Magyar Posta Zrt. in this respect or for any delay or defective performance resulting therefrom.

20.5 The Bank shall charge the fee stated in the prevailing List of Conditions, applicable to the Customer, in respect of payments effected by cash transfer order/express cash transfer order to the credit of Payment Accounts at postal service points, and shall be entitled to automatically debit the Customer's Payment Account affected by the payment with all fee rates and costs invoiced by Magyar Posta Zrt.

## **21. Documentary Credit**

21.1 The Bank shall accept requests of documentary credit (hereinafter: "Letter of Credit"). If the Bank accepts any such order, the Bank shall only open a letter of credit on terms and conditions acceptable to the Bank, including the provision of appropriate collateral. In the absence of such collateral, the Bank may refuse the request.

21.2 The Bank shall only accept the request to open a Letter of Credit on the Bank's form adopted for that purpose. In the event that the Customer wishes to deviate from, or to add to, the terms stated on this form, the Customer shall submit its relevant request to the Bank in writing, duly signed as given in the Signature Mandate. The Bank shall have the right to accept or reject the deviations or additions so submitted.

21.3 The Customer shall submit its request for opening a Letter of Credit to the Bank in due time to enable the Bank to have sufficient time to notify the opening of such Letter of Credit to the beneficiary through its correspondent bank or directly, or, in case of confirmation, to the confirming bank. The Bank shall not be liable for any damage or loss arising from any delay or refusal to open such Letter of Credit.

21.4 It shall be the Customer's sole responsibility to provide complete and unambiguous instructions, to specify the documents and the terms under which payment to the Letter of Credit is to be effected and it is to be accepted or agreed. The Bank shall not effect any payment upon the submission of documents if such documents do not conform to the requirements stipulated in the terms and conditions of the Letter of Credit, unless the Customer authorizes the Bank in writing to accept such documents and to effect payment against them, the Bank agrees thereto, and the Customer assumes all responsibility therefor. In addition, the Customer agrees to indemnify the Bank against any damage or losses which may arise therefrom.

21.5 If, in the course of examining documents in connection with the use of an export Letter of Credit, the Bank made a reservation, it may redebit the Customer's Account with the amount paid if, notwithstanding discrepancies, the Bank had drawn on the amount and the issuing bank had demanded the repayment thereof.

21.6 The Customer undertakes to ensure that the contents of its request for opening a Letter of Credit conform to the Hungarian laws, as in force. If the Customer's order does not meet this requirement, the Bank shall refuse the execution of the order. If the Bank incurs any damage or loss therefrom, the Customer shall reimburse the Bank therefor.

21.7 In executing orders related to Letters of Credit, the Bank applies the provisions published in brochure No. 600 entitled "Uniform Customs and Practices for Documentary Credit", issued and amended from time to time by the International Chamber of Commerce. The Customer shall acknowledge the provisions of the publication referred to above as binding upon itself.

## **22. Documentary Collection**

22.1 At the Customer's request, the Bank shall effect payments, issue commercial documents against payment or perform other transactions related to documentary collection under terms and conditions acceptable to the Bank and on the basis of orders conforming to the provisions brochure No. 522 entitled "Uniform Customs and Practices for Documentary Collections", issued and amended from time to time by the International Chamber of Commerce. The Customer shall acknowledge the provisions of the publication referred to above as binding upon itself.

22.2 The Bank shall effect payment to a third party upon the Customer's request if the necessary funds are available in the Customer's Account kept with the Bank.

22.3 The Customer undertakes to ensure that the order set forth in its collection request is in compliance with the Hungarian laws, as in force. If the Customer's order does not meet this requirement, the Bank shall refuse the execution of the order. If the Bank incurs any damage or cost as a result thereof, the Customer shall reimburse the Bank therefor.

22.4 If the Customer is the payee of the underlying transaction of a documentary collection, the Bank and the Customer may agree that the Bank will act to submit the documents and to collect payments.

## **23. Guarantee and Surety**

23.1 The Bank shall accept orders at the Customer's request for the provision of bank guarantee or surety. The Bank shall only provide guarantees or sureties under terms and conditions acceptable to the Bank, including the provision of appropriate cover specified by the Bank. In the absence of such cover, the Bank may reject the Customer's order.

23.2 A bank guarantee issued by the Bank in favour of a third party is an independent commitment of the Bank and shall be performed by the Bank in accordance with the terms and conditions under the guarantee. The obligations assumed in the underlying transaction shall not concern the Bank directly unless otherwise stipulated in the bank guarantee itself.

23.3 If the Bank issues a surety bond or a bank guarantee at the Customer's instruction and effects payment on the basis of such surety or guarantee, the Customer shall, at the Bank's first request, reimburse the Bank therefor. A possible failure by the Bank to make such a request shall not affect the Customer's above-written obligation of reimbursement. The amount paid by the Bank shall fall due at the time of such payment.

## **24. Foreign Exchange Transactions**

24.1 The Bank shall effect international payments and shall perform foreign exchange transactions in accordance with the foreign exchange laws, as in force.

24.2 In performing foreign exchange transactions, the Bank shall enter into contracts in its own name on the Customer's behalf, without being obliged to disclose the terms and conditions of the conclusion of such transactions to the Customer.

24.3 The Bank shall execute orders for spot conversions as defined in its List of Conditions, as in force, at the exchange rate quoted by the Bank. The Bank shall publish its spot exchange rates in accordance with the List of Conditions, as in

force. The Bank shall quote its own spot and forward exchange rates between the foreign exchanges officially quoted by the Bank. If for any reason there is no official quotation on a particular day or for an extended period of time, the Bank shall be entitled to defer the execution of the Customer's orders until the next publication of the official exchange rates. The Bank shall not be liable for any damage arising from deferring the execution of orders for the above reason.

24.4 Unless agreed to the contrary, the Bank shall not take liability for any risk arising from exchange rate movements in the course of executing international payments and foreign exchange transactions.

24.5 The Customer hereby consents to the tape recording by the Bank of all telephone calls, either incoming or outgoing, made between the Customer and the Bank's dealers and/or the Treasury Department for the protection of the interests of the Parties in order to avoid misunderstanding or misinterpretations. Such recordings shall qualify as bank secret and may only be used as evidence in case of disputes or disagreements that may arise between the Parties, and shall be handled in accordance with the provisions of Section 3 of the General Business Conditions.

24.6 If the Bank provides the investment services defined in related legal rules, as Irish S.I. No. 60 of 2007 Regulation entitled European Communities (Markets in Financial Instruments) Regulations to its Customer, the provisions of the General Business Conditions shall not be applicable. Investment services products shall be governed by the Business Rules for Investment Services Activities of the Bank as well as the terms and conditions set forth in a separate agreement regarding investment services products, entered into between the Bank and the Customer.

#### **IV. Collateral**

25.1 The Bank shall be entitled at any time during the existence of the business relations to request the Customer to provide appropriate collateral or to supplement the existing collateral to the extent necessary to secure all claims of the Bank from the Customer, even if such claims are subject to conditions or repayment by a certain date, or are not yet due. The Customer shall promptly fulfil the Bank's request and shall pledge such additional collateral.

Upon the Bank's request, the Customer shall, prior to entering into a collateral agreement, provide information, in respect of the collateral pledged by it, on the amount(s) held in deposit, the transaction(s) involved and the beneficiary (beneficiaries) thereof.

25.2 The Bank shall be entitled to determine the security value of the collateral at its sole discretion, on its own, but pursuant to the laws, as in force, and its own internal regulations. The Bank reserves the right to reevaluate or cause the revaluation of the collateral placed at the Customer's

disposal during the term of the Agreement, in particular, with regard to the change in the market value thereof, at the Customer's expense.

25.3 All assets, pecuniary values and rights pledged as collateral in favour of the Bank shall serve as collateral for all claims of the Bank against the Customer unless the use of the collateral for other purposes has been expressly stipulated.

25.4 The Customer shall take all required actions to maintain and safeguard the assets and rights pledged as collateral in favour of the Bank and to enforce claims used as collateral. The Customer shall inform the Bank in writing without delay of any change in the value or marketability of the collateral. If assets which are used up or substituted in the course of production or in trade and which have not been individually specified are used as collateral, the Customer shall promptly make up for the used up or sold assets.

25.5 Any assets or rights, including the Customer's claims against the Bank, which have been acquired directly or indirectly by the Bank, shall be used as collateral for the then-current claims of the Bank against the Customer. All goods and documents of title, including securities, which come into the possession of the Bank or of a third party acting on behalf of the Bank from or for the Customer's benefit shall be used as collateral for the then-current claims of the Bank against the Customer. The lien of the Bank shall be deemed to be created in respect of such goods and securities when they come into the possession of the Bank or a third party acting on behalf of the Bank.

25.6 The Customer shall take out insurance at its own cost for the assets pledged as collateral to the Bank or acquired from a loan granted to it by the Bank, shall maintain such insurance and shall pay the insurance fee as stipulated in the insurance contract until the Bank has any claim against the Customer if this is stipulated by the Bank in the General Lending Conditions or the Agreement relating to the transaction. The insurance shall cover all risks defined in the Agreement relating to the transaction. The Customer shall assign to the Bank as provided in the insurance contract or policy a sum equal to all then-current claims of the Bank against the Customer (matured or unmatured). The Bank may use the insurance proceeds paid by the insurance company to repay the loan so provided prior to the maturity thereof if the Customer does not replace the lost or destroyed assets pledged to the Bank as collateral. Unless agreed to the contrary, any part of the insurance proceeds paid under the insurance policy, which exceeds the Bank's claim, shall be due to the Customer.

If the Customer is obliged to take out insurance under the General Lending Conditions or the Agreement, the Customer may not amend or terminate the insurance contract without the prior consent of the Bank, and shall hand over the insurance policy or a document which authentically proves the right of the Bank as beneficiary.

25.7 The Bank shall be entitled to verify, even at the Customer's company site, whether the provided collateral is sufficient for covering its claims and whether the assets pledged as collateral are reasonably handled in accordance with the intended purpose thereof and safeguarded by the Customer and whether the lien of the Bank is shown on such assets.

25.8 The Bank, at its sole discretion, may release any collateral provided by the Customer if it deems that it is no longer necessary for securing its claims.

25.9 In the interest of an expedient settlement of its claims, the Bank shall be entitled to satisfy its claims from any of the assets pledged by the Customer as collateral to the Bank in the order specified by the Bank. If the Bank decides not to foreclose upon certain collateral temporarily, this shall not mean the waiver by the Bank of such collateral; the Bank may foreclose upon any collateral until it has any claim against the Customer.

25.10 Unless otherwise agreed, any costs and expenses related to the provision—including the costs of inclusion into a notarial deed—maintenance and handling of, and foreclosure upon, the collateral (including other collateral and additional collateral) shall be borne by the Customer.

25.11 The Customer undertakes that the claims of the Bank against the Customer shall rank at all times at least *pari passu* in priority of payment and in other respects with all other commitments of the Customer.

25.12 The Customer shall not provide any collateral to any third party without at the same time providing collateral of the same nature and equally ranked to the Bank on the same asset, property or revenue (negative pledge).

25.13 Without the Bank's prior written consent, the Customer may not cede any collateral provided to the Bank, nor may it encumber or offer such assets, properties or revenues to a third party as collateral or for any other purpose. If the Customer violates this provision, it shall be deemed to be in a gross breach of contract, which shall entitle the Bank to apply the legal consequences set forth in Chapter VI of the General Business Conditions.

25.14 The Customer authorizes the Bank to sell, exchange, foreclose upon, collect or otherwise deal with the collateral before the Bank's claims against the Customer fell due but the value of the collateral decreases at a rate threatening, in the opinion of the Bank, satisfaction in the interest of the foreclosability of the collateral.

## **V. The Bank's Rights in Case of a Breach of Contract**

26.1 In the event that the Customer does not meet its payment obligation towards the Bank when due, the Bank shall enforce its claim in accordance with the laws in force, through set-off against any bank Account of the Customer held with

the Bank, and/or by availing itself of the Customer's instruments placed with the Bank when using its investment services. Upon request of the Bank or under an Agreement, the Customer shall authorize the Bank to enforce its claim by spot collection order against its account(s) kept with another bank/banks. The Customer shall authorize all other banks keeping its accounts to honour the Bank's spot collection orders.

26.2 If claims to be set off against each other are in different currencies, the Customer shall authorize the Bank to convert them at such market rates of exchange as the Bank shall in a reasonable manner and in good faith determine for the purpose of set-off. The Customer shall authorize the Bank, furthermore, that where any obligation against which the set-off is to be made is of an undefined amount, the Bank shall determine the amount of such obligation in a reasonable manner and in good faith for the purpose of set-off.

26.3 If the Customer fails to perform, in whole or in part, its obligations assumed in the Agreement or under the General Business Conditions, or bankruptcy or voluntary dissolution proceedings are pending against the Customer, or the occurrence of such proceedings or liquidation proceedings threatens in the reasonable assessment of the Bank, the Bank shall be entitled, upon giving written notice to the Customer, to declare its claims against the Customer towards the Bank due and payable with immediate effect and to gain satisfaction from the collateral in accordance with the laws in force.

26.4 No failure to exercise or no delay in exercising by the Bank any right or remedy shall be construed as a waiver thereof by the Bank, nor shall any single or partial exercise by the Bank of any right or remedy preclude any other or further exercise thereof.

## **VI. Termination by the Bank**

27.1 The Bank and the Customer, at its sole discretion, shall be entitled to terminate both the individual transactions (Agreements) and the entire business relationship at any time upon two months' and 30 days', respectively, ordinary notice without the obligation of offering an explanation, that is, all Agreements. In this case, the commencement date of the notice period shall be the date stated in the termination notice.

27.2 The Bank may refuse to perform its contractual obligations towards the Customer in the cases permitted by law and if:

- a) after the conclusion of the contract, a material change has occurred in the conditions of the Bank due to which the performance of the Agreement can no longer be expected; or
- b) after the conclusion of the contract, in the opinion of the Bank, an adverse change has occurred in the Customer's economic, operational or financial condition; or

c) after the conclusion of the contract, the Customer is in breach of its obligation set forth in the General Business Conditions, the General Lending Conditions or in the Agreement.

27.3 In the case of any breach of contract, the Bank may, but without prejudice to any other rights of the Bank, in a written notice sent to the Customer:

(i) terminate the Agreement with immediate effect; and/or declare due and payable in full any and all debt of the Customer and any part thereof upon first written notice of the Bank, in which case such amounts shall become due and payable upon such written notice without prejudice to the above rights; and/or

(ii) declare that the obligation of the Bank to commit or disburse any amounts giving rise to debt shall cease to exist, whereupon the Bank's obligations shall *de facto* cease to exist, and all obligations of the Bank existing under the Agreement shall also cease to exist.

27.4 The Bank shall be entitled to enforce its rights defined in Section 27.3 in respect of an Agreement in particular in the case of the following events of breach of contract:

a) the Bank becomes aware of any fact or circumstance on the basis of which the Bank would have been otherwise entitled to refuse to disburse the loan by making reference to Section 524, subsection (1) of the Civil Code (in respect of Agreements entered into prior to 15 March 2014) or to Section 6:384 of the Civil Code (in respect of Agreements entered into after 14 March 2014 or Agreements in respect of which the Parties agreed to be governed by the New Civil Code), including any adverse change in the financial, economic or other conditions of the Customer's parent company, which affects the agreements made between the Bank and the Customer and/or its parent company or the parent company's obligations securing the debt or other agreements made between the Bank and the Customer;

b) any of the circumstances listed in Section 525 of the Civil Code (in respect of Agreements entered into prior to 15 March 2014) or in respect of credit facility agreements in Section 6:382(4) and 6:382(5) and in respect of loan agreements in Section 6:387 of the Civil Code (in respect of Agreements entered into after 14 March 2014 or Agreements in respect of which the Parties agreed to be governed by the New Civil Code) occurs;

c) any adverse change has occurred in the Customer's legal, financial or any other pecuniary situation, which are considered by the Bank to jeopardize the Customer's payment obligations towards the Bank;

d) the Customer is in default of any of its payment obligations due under the given or other Agreement, or the Customer or its parent company, subsidiaries or affiliates do not pay their debts at maturity;

e) any incorrect or misleading declaration is made by the Customer with respect to, or in connection with, the Agreement or if the Customer has misled the Bank by stating untrue facts or failing to disclose data or otherwise;

f) the Customer and/or a third party providing collateral fails to perform or does not contractually perform any of its obligations under the Agreement concluded with the Bank or its obligations existing under any provisions, representations, warranties or covenants provided in such Agreement or in the General Lending Conditions, or any obligation existing under any ancillary obligation securing the Agreement and such failure is not remedied within 10 (ten) calendar days after notice or request therefor has been given or made to the Customer by the Bank;

g) the Customer, a third party providing the collateral or another third party which is entitled to rights and/or may be bound by obligations on the basis of the Services provided under the Agreement is in default under any obligation, commitment or agreement associated with the debt existing under the Agreement between the Bank and the Customer;

h) the Customer is in default of any of its obligations arising from a loan or credit agreement or any debt concluded with any third party (parties), which would entitle such third party (parties) to terminate the agreement with immediately effect and to declare the debts due and payable, even if such third party (parties) does (do) not exercise its (their) right to repay the debts prior to maturity for any reason whatever;

i) the Customer or any company in which the Customer holds a majority interest or controlling, majority voting right or the Customer's majority owner or the natural or legal person or legal entity having a controlling, majority voting right in the Customer becomes insolvent, or a bankruptcy or liquidation proceedings are pending against it, him or her, or the institution of a bankruptcy or liquidation proceedings appears likely, or any of such events is threatened;

j) the Customer's liquidation or voluntary dissolution, its subsidiary (subsidiaries) or affiliate(s) has been ordered or the bankruptcy thereof has been declared; or proceedings have been instituted for the liquidation or voluntary dissolution thereof or a bankruptcy proceedings have been instituted against them;

k) the Customer fails to perform any of its payment obligations under a final judgment or court order;

l) the Customer merges or consolidates into or with any other company or transfers a substantial part of its assets or properties to a third party or otherwise disposes of a substantial part of its assets or properties, or substantially changes the scope or the nature of its business activities without the prior written consent of the Bank;

m) the Customer hinders an inspection by the Bank or fails to meet its obligation to provide information to the Bank stipulated in an Agreement or under law;



n) the Customer's secured creditor becomes entitled to take possession of all or a substantial part of the Customer's assets;

o) the Customer fails to promptly comply with the Bank's request to provide collateral or additional collateral or reaffirm the collateral;

p) all or any substantial part of the Customer's undertaking is expropriated, nationalized, subjected to forced sale or taken into public ownership or the Customer is no longer able or entitled to exercise the rights of management, control or ownership of the same;

q) the auditors give any audited financial statement of the Customer a negative rating;

r) a statutory lien is created under the Civil Code over the Customer's assets or any part thereof or a decision is rendered by any court of competent jurisdiction on the seizure of the Customer's assets;

s) any material change occurs in the Customer's ownership structure;

t) in respect of a relationship between the Customer and the Bank secured by a collateral or a factoring relationship under the New Civil Code, the Customer and/or the security provider third party makes a statement regarding the de-registration of the content of the security interest registry;

u) any other condition or event included in the Agreement by the Parties is fulfilled or occurs.

27.5 In the event of termination, the claims of the Bank shall become immediately due and payable. In such a case, the Bank shall be entitled to exercise all its rights contained in the General Business Conditions immediately, without giving prior notice to the Customer. After termination by notice and during bankruptcy or liquidation proceedings or any other reorganization of the Customer, and until final settlement has been made and all claims of the Bank against the Customer have been satisfied in full, the General Business Conditions shall remain in force and applicable.

27.6 Unless otherwise provided in a contract or by law, amounts disbursed by the Bank to the Customer or to third parties with regard to the Customer shall become due and payable on the basis of the termination by notice under the present Chapter VI. Until all existing claims between the Customer and the Bank are settled, the provisions of the General Business Conditions, the General Lending Conditions and the individual Agreements shall remain in force and applicable.

## **VII. Fees, Bank Charges, and Other Costs**

### **28. Interest**

28.1 The rate of interest payable by the Customer is set forth in the Agreement made between the Customer and the Bank.

28.2 If the Bank's refinancing terms change as the result of measures taken by the National Bank of Hungary and/or circumstances arising in the money market, the Bank shall be entitled to increase or decrease the rates of the set fees and interest in accordance with the conditions set forth in Section I.2. relating to the modification of the Agreement.

28.3 In the case of the late payment of a financial debt, the Customer shall pay default interest at the rate defined by law or in the List of Conditions or in the Agreement.

28.4 If the Agreement is terminated for whatever reason before the set maturity date thereof, the interest shall become immediately due and payable.

28.5 If the Customer fails to pay the interest when due, the Bank shall be entitled to charge any of the Customer's Accounts kept with the Bank with the amount of interest due.

### **29. Commissions/Fees**

29.1 Commissions, fees and other expenses charged by the Bank are set forth in the Agreement relating to the particular transaction and/or in the List of Conditions.

29.2 The Customer shall pay the charged commissions, fees and other expenses in accordance with the terms of the Agreements made between the Customer and the Bank and of the List of Conditions in such a way that the Bank shall debit any of the Customer's accounts kept with the Bank on the due date.

### **30. Legal and Expert Costs**

30.1 The Customer shall reimburse the Bank for any legal cost reasonably incurred by the Bank in connection with a particular matter, including fees related to the use of consultants, experts, auditors, etc.

30.2 The Customer shall reimburse the Bank for any costs of retaining a lawyer or legal counsel incurred by the Bank in a legal dispute between the Customer and the Bank, unless otherwise decided by the court.

30.3 The Customer shall reimburse the Bank for any costs of retaining a lawyer or legal counsel incurred in a legal dispute between the Customer and a third party in or out of court.

### **31. Other Costs**

The Customer shall reimburse the Bank for any costs incurred by the Bank in connection with the particular transaction, including, but not limited to, those arising from the use of

telecommunication devices or courier service and any other Services of any nature related directly to the transaction. This obligation on the Customer's part to bear costs shall exist irrespective of whether the particular transaction has been completed or executed, whether the order has been withdrawn, or whether the commitment has been terminated for any reason.

## VIII. Miscellaneous Provisions

### 32. CCIS related information and data provision

32.1 The Customer acknowledges that it shall not represent a violation of bank secrecy if the Bank hands over – in accordance with the provisions of Act CXXII of 2011 on the central credit information system (hereinafter: "CCIS Act") – the Customer's data defined in the CCIS Act (hereinafter: "Reference Data") to the Central Credit Information System (hereinafter: "CCIS"). The CCIS is a closed system database aimed at allowing a more differentiated assessment of creditworthiness and thereby increasing the scope of lending and at facilitating the reduction of lending risk in the interest of the safer operation of organizations engaged in lending as defined in the CCIS Act (hereinafter: "Reference Data Providers").

32.2 Only Reference Data may be managed in the CCIS. The Bank shall hand over, to the financial enterprise managing the CCIS (hereinafter: "CCIS Management Agency"), the Reference Data of the business association, branch office, European joint stock company, European cooperative, European economic association, housing cooperative and individual entrepreneur (hereinafter: "Company") that

- a) enters into an Agreement with the Bank for
  - (i) credit or loans,
  - (ii) financial leasing,
  - (iii) issuance of paper-based, cash-settled payment instruments and related, non-payment services,
  - (iv) securities lending,
  - (v) surety and the assumption of a bank guarantee as well as the assumption of other banking obligations;
- b) where, as a result of the breach of a payment obligation stipulated in the type of agreement defined in section a) above (which is subject to data supplying), the overdue and payable indebtedness exceeds 30 days; or
  - c) against the bank account of which kept with the Bank the Bank keeps a record of queued claims in an amount over one million Hungarian forints due to insufficient balance without interruption over a period exceeding 30 days;

d) who failed to comply with any obligations undertaken in an agreement on acceptance of equivalent cash-settled payment instruments and, as a consequence, this agreement has been terminated or suspended by the Bank.

32.3 During the handover of data, the Bank shall forward the name, registered office, company register number/individual entrepreneur's card number and tax number of the Company to the CCIS Management Agency, as well as

- a) in the case of Section 32.2, paragraph a),
  - type and identification (number) of the Agreement,
  - date of conclusion, expiry and/or termination of the Agreement,
  - method of termination of the Agreement,
  - amount and currency of the Agreement, the amount and currency of the repayment instalment of the contracted amount and the method and frequency of the instalment
- b) in the case of Section 32.2, paragraph b),
  - type and identification (number) of the Agreement,
  - date of conclusion, expiry, termination of the Agreement,
  - method of termination of the Agreement,
  - amount and currency of the Agreement, the amount and currency of the repayment instalment of the contracted amount and the method and frequency of the instalment
  - the date of the occurrence of the conditions stipulated in Section 32.2 paragraph b),
  - the amount of the overdue and payable indebtedness on the date of the occurrence of this condition (as set out in Section 32.2 paragraph b),
  - the maturity date and termination method of the overdue and payable indebtedness,
  - reference to an assignment of the indebtedness to another Reference Data Provider or to any litigation;
- c) in the case of Section 32.2, paragraph c),
  - identification (number) of the Payment Account Agreement,
  - amount and currency of the claims queued,,
  - commencement and end dates of the claims queuing,

- comments on any litigation;

d) in the case of Section 32.2, paragraph d),

- date of conclusion, expiry, termination and/or suspension of the agreement on the acceptance of equivalent cash-settled payment instrument,
- comments on any litigation.

32.4 Additionally, the Bank will supply the amount and currency of the indebtedness ensuing from the agreement subject to data supplying to the CCIS Management Agency within 5 business days from the end of the relevant month.

32.5 Should a prepayment be made by the Company under the terms of an agreement subject to data supplying the Bank shall bring the fact of the pre-payment to the CCIS Management Agency's attention within five business days and inform them about the amount, time and currency of the prepayment and remaining indebtedness.

32.6 On the basis of the data supply as described above, the CCIS Management Agency will record the data in the CCIS and then the data will be available for query and transfer by and to the Bank and the other Reference Data Providers upon submission of a data request. The Bank and the other Reference Data Providers may use the data request and data received in compliance with it exclusively for the sake of substantiating and making a decision on:

- Agreements under Section 32.2, paragraph a), or
- Agreement on granting of investment loans to investors, or
- Agreements on securities lending.

32.7 The CCIS Management Agency shall manage the Reference Data handed over in the above way for five years, after the expiry of which it shall delete the Reference Data definitively and unrestorably. In respect of the calculation of the five-year period,

- in the case of Section 32.2, paragraph a), the termination date of the Agreement;
- in the case of Section 32.2, paragraph b), if the indebtedness was not fully repaid, the end of the fifth year after the data supply;
- in the case of Section 32.2, paragraph c), the date on which the claims queuing are terminated
- in the case of Section 32.2, paragraph d), the date on which the data are handed over

shall be deemed the commencement date.

32.8 The CCIS Management Agency shall also delete the Reference Data promptly and unrestorably if the identity of the Reference Data Provider or the Reference Data have been entered in the CCIS unlawfully.

32.9 The CCIS Management Agency may only hand over Reference Data to the Bank and other Reference Data Providers on the basis of a data request submitted by them. The Bank and the other Reference Data Providers may only use the data request and the data received on the basis thereof for making a decision which provides grounds for the conclusion of

- Agreements under Section 32.2, paragraph a), or
- Agreement relating to the extension of investment loans to investors, or
- Agreements relating to the lending of securities.

32.10 In addition to the provisions of Section 32.9, the Company shall also be entitled to request information about what data are included in relation to it in the CCIS and which Reference Data Provider has handed over such data through any Reference Data Provider, including the Bank. The Bank shall forward the request for information to the CCIS Management Agency not later than within two business days, which shall send the requested data to the Bank in a sealed manner within three business days. The Bank shall, at the option of the Company, send the information by post with return receipt requested or shall hand it over to the Company in person at the branch of the Bank also in a sealed manner after receipt thereof, promptly but not later than within two business days.

32.11 The information shall be provided free of charge to the Company irrespective of through which Reference Data Provider it has submitted its request..

32.12 The registered Company may have recourse to the following legal remedies due to the handover by the Bank of its Reference Data to, or the management thereof by, the CCIS Management Agency:

- It may lodge a complaint with the Bank or the CCIS Management Agency for the correction or deletion of the Reference Data, which the Bank or the CCIS Management Agency shall investigate within three days following receipt thereof and shall inform the Company of the result of such investigation in writing, by post with return receipt requested, promptly but not later than within two business days after the conclusion of the investigation. If the Bank entertains the complaint, it shall hand over the Reference Data corrected or to be deleted to the CCIS Management Agency promptly but not later than within five business days, with the simultaneous notification of the Company, and the CCIS Management Agency shall incorporate the change in its records not later than within two business days;

- The Company may file a lawsuit with the local court with jurisdiction at the registered office of the Company against the Bank and the CCIS Management Agency due to the unlawful handover and management of the Reference Data, or for the correction or deletion of those

(i) if it does not agree with the result of the investigation of the complaint, within 30 days following receipt of the information on the investigation of the complaint;

(ii) if no information under Section 32.10 or no information on the investigation of the complaint is provided, within 30 days of the expiry of the deadline set for the obligation to provide information.

The CCIS Management Agency shall keep a record of the filed lawsuit until the non-appealable conclusion thereof together with the disputed Reference Data.

### **33. Assignment**

The Customer shall not transfer or assign its rights and obligations arising from the Agreement concluded with the Bank unless it obtains the prior written consent of the Bank. The Bank may transfer or assign any of its rights and obligations arising from the Agreement to a third party.

### **34. Provision of Information on Outsourcing and the Temporary Transfer of Personal Data**

The Bank shall state the range of outsourced activities and the service providers engaged to perform such outsourced activities in an annex to the Lists of Conditions. In addition, the Bank shall provide information on its Internet website on third parties who/which may handle, store or process the Customers' data as part of their other activities pursued in the interest of the Bank.

### **35. Establishment of the Amount Payable for Services**

The establishment of the prevailing amount (contractual amount, interest, fees, other charges, indebtedness towards the Bank) payable for the Services provided by the Bank and used by the Customer shall be governed by the books and records of the Bank.

### **36. Record Keeping and Custody Obligations**

36.1 The Bank keeps separate and identifiable records in respect of properties, assets (estate), receivables of the Customer or a third party which become to the possession or at the disposal of the Bank on the costs of the Customer or the third party, provided that there is no other relationship in place between the Bank and the Customer or the third party. If there is such relationship in place, then the Bank will act according to the terms of that relationship. Under this section 36, the Bank is subject to custodian and record keeping obligations only.

36.2 The Bank may claim the costs incurred at the Bank and its expenses in relation to the custodian and record keeping obligation and may directly get those claims, as well as its other claims against the Customer or the third party directly

satisfied from the assets of which records are kept under this section 36.

### **37. Statute of limitation**

The Bank and the Customer agree that in addition to the circumstances and actions set out in Section 6:25 of the New Civil Code, a written notice requiring performance and the enforcement of the claim during a liquidation proceeding also interrupts the period of statute of limitation.

### **38. Third Parties**

Only the Parties and third persons expressly authorised by the relevant General Agreement or Agreement are entitled to demand performance in respect of services set out in the General Agreement or the Agreement. A third party not authorised by the relevant General Agreement or the Agreement is not entitled to demand performance of a service set out by the General Agreement or the Agreement.

### **39. Payments of taxes\*\***

The Customer bears all liability related to taxes, and the Customer confirms that it shall be liable to pay the Taxes. The Bank shall deduct or withhold the appropriate taxes from any payments due to the Customer, in compliance with the effective statutory regulations, which include but are not limited to (i) any acts and rules, (ii) legal, governmental or regulatory authorities and (iii) any agreements concluded between the Bank and a governmental authority or between two or more governmental authorities (for the purposes of this sentence, effective statutory regulations may refer to either domestic or foreign regulations). The Customer acknowledges that the Bank is entitled to debit any of the balances kept for the Customer, and it may use such cash/account money for the payment of Taxes. The Bank shall pay, in a timely manner, the full amount of any debit or retention to the appropriate governmental authority in compliance with the effective statutory regulations and with the provisions of this section. If any amount earlier credited by the Bank to the Customer proves to be subject to Tax payment, the Customer acknowledges that the Bank may debit any of the balances kept for the Customer for the purpose of paying such earlier Tax. Payment of the difference, if any, shall remain the Customer's responsibility, and the Customer agrees to pay it upon the request of the Bank or any governmental authority. If the Taxes are paid by the Bank or an affiliate thereof, the Customer agrees to immediately reimburse the Bank for any such part of the paid amount, that has been retained from a payment executed to the Customer or which is not covered by the amount debited on the balance kept to the benefit of the Customer."

In this regard, the Bank shall not be required to reimburse the Customer for any amount retained or deducted by any financial transaction service provider, and furthermore the Bank shall not be required to dispute any claim by an authority for the payment of Tax. The Customer must be informed of any deducted or paid Taxes.

The Customer is responsible for obtaining all consents and waivers of rights from the third parties with entitlement in respect of the payouts to be performed by the Bank, and to issue all notifications necessary to perform, by the Bank's subsidiaries or the external service providers thereof, the actions specified in this paragraph. The Customer is required to have appropriate security for any claims of third parties with entitlement in respect of the payouts.

#### **40. Security Incident, Operational and security risks**

40.1 If the Bank becomes aware of a Security Incident, the Bank will investigate and remediate the effects of the Security Incident in accordance with its internal policies and procedures and the requirements of applicable law and regulation. The Bank will notify the Customer of any Security Incident as soon as reasonably practicable after the Bank becomes aware of a Security Incident, unless the Bank is subject to a legal or regulatory constraint, or if it would compromise the Bank's investigation. The parties agree that in relation to a Security Incident, each party will be responsible for making any notifications to regulators and individuals that are required under applicable Data Protection Law. Each party will provide reasonable information and assistance to the other party to the extent necessary to help the other party to meet its obligations to Data Subjects and regulators. Neither the Bank nor the Customer will issue press or media statements or comments in connection with the Security Incident that name the other party unless it has obtained the other party's prior written consent.

40.2 In the event of any fraud or security threat suspected or detected by the Bank, the Bank shall promptly investigate the suspected or detected fraud or security threat in accordance with its internal regulations and the applicable statutory provisions, and shall take the necessary steps in the interest of mitigating the damaging effects of the event. If the fraud or serious operational or security event breaches or might breach the interests of the Bank's Customers, the Bank shall notify the Customer, without unreasonable delay, via one of the communication channels defined in Section 7 (Means and forms of communication).

#### **41. Settlement of Legal Disputes**

41.1 The Customer and the Bank shall endeavour to settle any legal dispute arising from their relationship without litigation, through conciliation negotiations. The Customer

shall have the right to have recourse to the proceedings of the Conciliation Body attached to the Chamber of Commerce and Industry of the relevant County/Budapest competent for the Customer's head office and/or to the proceedings of the National Bank of Hungary or to a mediation procedure pursuant to Act LV of 2002 on Mediation Activities.

41.2 Unless stipulated to the contrary, if the Customer and the Bank have been unable to settle their legal dispute through conciliation negotiations and court having a seat outside of Budapest would have the jurisdiction for legal dispute under the rules on general and miscellaneous jurisdiction of Act III of 1952 on the Civil Procedure, then the legal dispute shall be submitted, depending jurisdiction on subject matter, to the District Court of the 4<sup>th</sup> and 15<sup>th</sup> Districts of Budapest or the Tribunal Court of Székesfehérvár as court that has exclusive jurisdiction.

#### **42. Governing Law and Jurisdiction**

42.1 Issues not regulated in the General Business Conditions, the General Lending Conditions, the General Terms of Contract, the Lists of Conditions or the individual Agreements shall be governed by the provisions of the Hungarian Civil Code, the CIFE, the MTA, the Decree of the National Bank of Hungary as well as the laws of Hungary and the laws of the Republic of Ireland mandatorily applicable due to the legal status of the Bank, as in force.

42.2 Unless otherwise provided in the Agreement, the Services provided by the Bank and the Agreements shall be subject to the jurisdiction of Hungary.

42.3 The General Business Conditions have been drafted in the Hungarian and English languages. Both versions are equally authentic. In case of a legal dispute or a divergence in interpretation, the Hungarian language version shall prevail. The above rule shall also apply if a given Agreement has been signed in both Hungarian and English between the Bank and the Customer.

\* Applicable in respect of agreements entered into after 14 March 2014 or agreements in respect of which the Parties agreed to be governed by the New Civil Code.

\*\* Applicable in respect of Agreements concluded and/or Payment Accounts opened after 11 July 2014.