

## **ANNOUNCEMENT**

Raiffeisen Bank Zrt. informs its Customers that the Bank's Consumer Banking Business Conditions is going to be amended, and supplemented.

The amendment/supplementation concerns the following provisions of the Consumer Banking Business Conditions.

### **1. General Provisions**

*Sections 2 and 3 of Chapter III "Signature, Third Party Authorisation, Orders for the Event of Death"*

The Bank has terminated its cheque service, therefore the reference to such service has been deleted from Section 2.

Section 3 concerning simplified bank change, which could be initiated in accordance with Recommendation No. 6/2009 of the Hungarian Banking Association, was also deleted, and the numbering of the sections has changed accordingly.

*Section 2 of Chapter IV "Notification, Sales and Service Channels"*

In respect of this section, the Bank made some adjustment having regard to the termination of the possibility to initiate simplified bank change.

### **2. Specific Provisions**

*Sections 1.8 and 1.10 of Chapter I "Account Keeping"*

In Section 1.8, the Bank made some adjustment having regard to the termination of the possibility to initiate simplified bank change. Section 1.10 includes the new rules of account switching in accordance with Government Decree 263/2016 (VIII.31.) on Payment Account Switching.

Date of effectiveness of the change: 1 November 2016.

The amended Consumer Banking Business Conditions is available starting from this day in the Bank's website ([www.raiffeisen.hu](http://www.raiffeisen.hu)), and in its branches.

The amended sections are available in the annex to this announcement as well.

2 November 2016

Raiffeisen Bank Zrt.

## **Annex**

### **1. General Provisions**

#### **Section 2 of Chapter III “Signature, Third Party Authorisation, Orders for the Event of Death”**

From third parties authorised by the Customer on an ad hoc basis, the Bank shall only accept and execute orders for cash withdrawal, up to the limit specified in the List of Terms & Conditions.

#### **Section 2 of Chapter IV “Notification, Sales and Service Channels”**

The Customer shall have the right to conclude agreements for financial services with the Bank, submit standard forms, authorise third parties on a standing basis, initiate bank account switching, give instructions for the event of death, give orders, as well as revoke orders at the terms & conditions from time to time in effect, at any retail branch of the Bank’s branch network.

### **2. Specific Provisions**

#### **I. Account Keeping**

##### **1.8 Termination of the Retail Bank Account**

**1.8.1** The retail bank account is established for an indefinite term. The absence of a credit balance in the retail bank account in itself shall not terminate the account.

**1.8.2** The Bank shall have the right to terminate the retail bank account (*Framework Agreement*) with a written notice of 60 days sent to the Customer, without giving any reasons. The Bank shall have the right to terminate the retail bank account (*Framework Agreement*) with immediate effect if the Customer repeatedly or grossly violates any provision of these Business Conditions.

**1.8.3** The Customer shall have the right any time to terminate the retail bank account—in the form of a written notice, by completing and submitting to the Bank a standard form entitled Bank Account Termination Request, or using the form directed at the initiation of account switching and filed in the scope of the bank account switching process regulated in Section 1.10—provided he/she has settled all his/her outstanding debts owed to the Bank, including those connected to the keeping of the retail bank account and to any related services, as well as any debts stemming from other agreements with the Bank.

If the Framework Agreement between the Bank and the Customer is for an indefinite period of time, or for a period longer than 1 year, then after the lapse of the first year the Customer shall have the right to terminate the bank account (*Framework Agreement*) free of charge or without incurring any other payment obligations.

**1.8.4** In the case of the termination of the retail bank account, the Bank shall have the right upon the entry in force of the termination notice to transfer any credit balance in the retail bank account to a suspense account that pays no interest, unless the Customer has given other instructions in respect of the balance of the retail bank account. The Bank shall also have the right to proceed similarly in case the retail bank account is ended in any other way.

## **1.10 Special Provisions Concerning Payment Account Switching (Bank Account Switching)**

### **1.10.1 Terms & Definitions**

*“Payment account switching” (“bank account switching”)* means a process where the consumer initiates in respect of his/her payment account opened and maintained in Hungary the recurring incoming credit transfers, standing orders for credit transfers and direct debits concerning that account to be transferred to another payment service provider in accordance with Government Decree 263/2016 (VIII.31.) on Payment Account Switching (the “Decree”).

*“Parties involved in the account switching process”* means the consumer, the previous and the new account-keeping payment service provider.

*“Previous account-keeping payment service provider” (hereinafter the “old Bank”)* means the payment service provider that transmits the information necessary for the account switching.

*“New account-keeping payment service provider” (hereinafter the “new Bank”)* means the payment service provider to which the information necessary for the account switching is transmitted.

*“Orders affected by the payment account switching (bank account switching)”* means

- recurring incoming credit transfers: the crediting of amounts incoming at regular intervals from the same payer to the payment account of the beneficiary,
- standing orders for credit transfers: order given by the payer for the recurring transfer of a specific amount on specific dates (debits dates),
- direct debits: orders whereby the account holding customer authorises a beneficiary to collect specific amounts through its account-keeping payment service provider from the customer’s payment account.

Bank account switching may only be initiated in respect of valid, existing orders.

### **1.10.2 Initiation and Cancellation of Account Switching**

Account switching as per the Decree may take place only and exclusively in respect of bank accounts opened and maintained in Hungary in the same currency, provided that the bank accounts concerned enable at least the following transactions: cash deposit, cash withdrawal, execution of credit transfer orders and the crediting of incoming amounts.

The account switching may be initiated by the holder of the bank account—or if there are several account holders, by the account holders jointly—at the new Bank in writing, using the form provided by that Bank. If the account switching concerns several bank accounts simultaneously, the account switching must be initiated separately for each bank account. As the account-keeping service of Raiffeisen Bank does not include keeping jointly owned bank accounts, in the scope of the bank account switching Raiffeisen Bank will open and keep bank accounts only for customers who were exclusive owners of their bank accounts kept at the old Bank.

It is an obstacle to the account switching if the identification data of the consumer as transmitted by the new Bank to the old Bank differ from the data available in the registry of the old Bank, or if the bank account number is included erroneously in the authorisation.

In the account switching authorisation form, the consumer may instruct as follows:

- mark all orders or specific orders concerned by the account switching,
- specify the working day starting from which standing orders for credit transfers and direct debits must be executed from the account opened and maintained at the new Bank already; however, such day may not be earlier than the sixth working day following the day when the new Bank receives the data necessary for the account switching from the old Bank (the 13th working day from the registration of the authorisation by the new Bank),

- terminate his/her bank account kept at the old Bank (the framework agreement), where the account (framework agreement) shall cease after the lapse of the termination period calculated from the day identified in the authorisation as per above, or in the absence of a termination period as of the working day identified in the authorisation,
- declare that he/she will notify the payers of the recurring incoming credit transfers or the beneficiaries of the direct debits himself/herself, or order the Bank to do so, in which latter case the consumer shall provide the data ensuring access by mail or electronically to the parties initiating the credit transfers, including the data necessary to access a contact person,
- request changing the conditions of the direct debit mandate to be observed by the payment service provider, unless it requires the consent of the beneficiary,
- request that the old Bank send the data necessary for the execution of the standing orders for credit transfers affected by the account switching as well as the data of direct debits to him/her.

After the receipt by the new Bank of the data supplied by the old Bank, the consumer may not cancel his/her order for the initiation of account switching any longer.

### **1.10.3 Tasks and Deadlines Connected to the Account Switching Procedure**

The account switching shall be executed in each case in accordance with the consumer's instructions included in the authorisation. The deadlines included in this section shall be governing in case the data necessary for the execution of the tasks are available in full to the proceeding banks. If some deficiency is to be remedied, the deadline is prolonged by the number of days passing from the notice concerning the deficiency until those included in the notice are remedied.

Within two working days from the receipt of the authorisation for the account switching, the new Bank shall request the old Bank to carry out the following operations, provided that the account switching authorisation included such instructions:

- transmit the data necessary for the execution of the standing orders for credit transfers affected by the account switching as well as the data of direct debits,
- transmit the data concerning recurring credit transfers incoming to the bank account and recurring direct debits initiated by the payees over the previous 13 months, starting from (on) the date identified in the account switching authorisation
- stop the execution of direct debit orders,
- cancel standing orders for credit transfers,
- transfer the credit balance of the bank account to the bank account opened or maintained at the new Bank,
- close the bank account.

Based on the request, the old Bank shall execute the following tasks:

- within five working days from the receipt of the request, meet its obligation of data supply,
- starting from (on) the date identified in the account switching authorisation
  - not execute direct debit orders any longer,
  - cancel standing orders for credit transfers,
  - transfer the credit balance remaining in the bank account to the bank account opened or maintained at the new Bank,
- terminate the bank account.

Within five working days from the receipt of the data, the new Bank shall, provided that the available data enable it to do so:

- enter standing orders for credit transfers and execute the same starting from the date identified in the account switching authorisation,
- make arrangements for the execution of direct debit orders,
- inform the payers effecting recurring credit transfers to the consumer's bank account of the new bank account via their account-keeping payment service providers,
- inform the payees of collection orders of the new bank account, identifying the date starting from which it will execute direct debit orders against the bank account.

If the data necessary to provide such information are not available to the new Bank, it will ask the consumer or the old Bank to provide the missing data.

#### **1.10.4 Circumstances Impeding the Closure of the Account**

The Bank as an old Bank participating in the account switching procedure cannot execute the termination of the bank account (framework agreement) in accordance with the Customer's instruction given in the account switching authorisation in the following cases:

- a. past due debts owed to the Bank are recorded in the claim registration account connected to the bank account;
- b. the balance in the bank account fails to cover the fee charged by the Bank for the termination;
- c. there is a Versatile CLEVERcard attached to the bank account;
- d. a collection order based on payee authorisation, official transfer, writ of payment or enforcement order has been filed against the bank account, the processing, execution or queuing of which has started by the time of initiation of the account switching procedure or is put into effect during the account switching procedure;
- e. there is an active time deposit attached to the bank account;
- f. an order concerning the repayment of a loan or credit facility is linked to the bank account that may only be executed from the bank account;
- g. a safe deposit box rental contract is attached to the bank account;
- h. investigation of a disputed transaction or customer complaint is underway;
- i. during the account switching procedure the bank account becomes the subject of probate proceedings, or any of the banks involved in the account switching becomes aware of the death of the account holder;
- j. the balance of the bank account has been blocked;
- k. an overdraft facility contract is attached to the bank account;
- l. the bank account is linked to any other service of the Bank that is used by the Customer, including in particular if the bank account serves to cover settlements connected to other services of the Bank.

If any circumstance exists that prevents the termination of the bank account as above, the Bank shall without delay inform the Customer of this in writing.

#### **1.10.5 Facilitation of Account Opening in Other EEA States**

In order to facilitate the opening of bank accounts in other EEA states, the Bank shall upon the request of the account holding Customer issue a statement in Hungarian, or in another language as agreed upon with the account holder, free of charge, on standing orders for credit transfers, direct debit orders, recurring incoming transfers credited to the bank account over the previous 13 months, as well as the collection orders executed to the debit of the bank account. In the event of the termination of the bank account, the Bank shall upon the account holder's request transfer the credit balance of the bank account to the payment account opened or maintained at the new account-keeping payment service provider. This obligation of the Bank shall be performed on the date identified by the account holder, but no sooner than on the seventh working day following the account holder's request for the statement, and if the parties have stipulated a termination period in the account agreement, then on the working day following the expiry of such termination period. The Bank shall immediately inform the account holder if there is any obstacle to the termination of the payment account as described in Section 1.10.4.

#### **1.10.6 Data Management**

The transmission of data between the old and the new Bank shall take place through a protected, closed network, or through an open network, with encryption, using enhanced security electronic signature or

electronic seal. The exchange of messages via a protected, closed network shall be implemented in the scope of outsourcing, with the cooperation of GIRO Elszámolásforgalmi Zrt. (GIRO Zrt.), provided that both banks involved in the account switching use the account switching process supporting IT service of GIRO Zrt.

With the initiation of account switching it shall be assumed that the consumer consents to the banks participating in the account switching procedure transmitting to each other and the beneficiary of the direct debit orders and/or the payer of the recurring incoming credit transfers in the framework of the information related to *payment account switching* the consumer's data included in the account switching authorisation that qualify as bank secrets in view for the implementation of those included in the authorisation.

#### **1.10.7 Miscellaneous Provisions**

The fees related to the account switching are included in the Consumer Terms and Conditions from time to time in effect.

The Customer shall have the right to file a complaint in relation with the Bank's account switching procedure in accordance with the provisions of the General Business Conditions.