

## ANNOUNCEMENT

Raiffeisen Bank Zrt. informs its Customers that the Bank's General Business Conditions are going to change.

The change concerns the following sections of the General Business Conditions:

**Part 1 "General Provisions"**

Section 13.3 of Chapter XIII "Coverage"

**Part 2 "Special Provisions Concerning the Diverse Transactions and Services"**

Chapter I "Account Keeping"

Sections 11.1; 11.2.1; 11.3.1; 11.4; 11.5; 11.6.2; 11.6.3; 11.6.5; 11.7.2; 11.8.1-11.8.4; 11.8.6; 11.8.9; 11.8.10; 11.10.2 of Chapter XI "Credit Cards"

Annex No. 2 to the General Business Conditions "Outsource List"

Date of effectiveness of the change: 1 November 2016.

The amended General Business Conditions—including the changes previously announced by the Bank as effective as of 1 November 2016, as well as the changes disclosed with this announcement, in a consolidated format—are available starting from this day in the Bank's website ([www.raiffeisen.hu](http://www.raiffeisen.hu)), and in the Bank's branches.

The amended sections are available in the annex to this announcement as well. The changing parts are underlined for easier reference.

2 November 2016

Raiffeisen Bank Zrt.

## **Annex:**

### **Part 1 “General Provisions”**

#### Section 13.3 of Chapter XIII “Coverage”

Individual orders initiated by the Customer—including especially certain bankcard transactions—may also be fulfilled, and the Bank may as well debit the Customer’s payment account with a claim arising against the Customer on any title when the required financial coverage is unavailable in the relevant payment account or credit card account, or when as a result of the fulfilment of the order or the debiting of the Bank’s claim the overdraft credit facility approved for the Customer or the credit line established in respect of the Customer’s credit card will be overshot. In such case the Bank shall extend a constrained loan to the Customer in the measure necessary for the fulfilment of the order or up to the amount of the enforced claim without any special request by or confirmation asked from the Customer, debiting the amount of the constrained loan to the Customer’s payment account or credit card account involved in the transaction. Such constrained loan shall become immediately due and payable by the Customer on the date of debiting of the payment account or credit card account, therefore the Bank shall have the right to call on the Customer any time to fulfil his resulting payment obligation. On the amount of the debit balance or overdraft credit overshooting arising in the payment account as a result of the debiting of the constrained loan, the default interest or fee set out in the List of Terms & Conditions shall be charged. The Customer’s payment account or credit card account will be debited with the default interest or fee calculated on the amount of the constrained loan on a monthly basis, and the amount of the default interest or fee will be added to the constrained loan. In the event of a credit line overshooting, the Bank may also charge additional fees set out in the List of Terms & Conditions. As regards the Bank’s Retail and Premium Customers, the rules set out in this section shall be applied with the difference that in respect of payment accounts or credit card accounts no constrained loan shall be provided. The Bank will record its receivables in a claim registration account connected to the bank account or credit card account as past due debts owing to the Bank. On the amount of any registered claim, upon the settlement thereof the Customer shall pay the Bank the default interest rate specified in the List of Terms and Conditions.

*The following chapter is supplemented in accordance with Government Decree 263/2016 (VIII.31.) on Payment Account Switching with the new rules of account switching in respect of the Bank’s Private Banking customers.*

### **Part 2 “Special Provisions Concerning the Diverse Transactions and Services”**

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

#### **1.7 Special Provisions Concerning Payment Account Switching (Bank Account Switching) for the Bank’s Private Banking Customers**

##### **1.7.1 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.

### **1.7.2 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.

### **1.7.3 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.

#### **1.7.4 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. the Customer has any past due debts owed to the Bank in connection with the bank account;
- d. there is a Versatile CLEVERcard agreement, or an agreement for Credit Card secured by cash and/or securities collateral attached to the bank account;
- e. 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;
- f. there is an active time deposit attached to the bank account;
- g. 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;
- h. a safe deposit box rental contract or mailbox service is attached to the bank account;
- i. electronic banking service is attached to the bank account;
- j. investigation of a disputed transaction or customer complaint is underway;
- k. 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;
- l. the balance of the bank account has been blocked;
- m. an overdraft facility contract is attached to the bank account;
- n. 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.

#### **1.7.5 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 1.7.4.

#### **1.7.6 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.

### **1.7.7 Miscellaneous Provisions**

The fees related to the account switching are included in the List of Terms and Conditions for Private Banking Customers 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.

**1.8** As regards the Retail and Premium Customers of the Bank, the detailed rules of bank account switching are set out in the Consumer Banking Business Conditions.

*In the credit card chapter, the Bank made some adjustments to the wording, as well as some changes necessitated by the introduction of its new receivables registration system.*

## **Chapter XI "Credit Cards"**

### **11.1 Definitions**

Credit Line: A modifiable limit amount established by the Bank on the basis of the amount indicated in the Customer's cardholder application after credit evaluation—subject to a favourable decision concerning the issue of the Credit Card, and set up in a measure depending on the result of the credit evaluation—to the extent of which the Customer and the Additional Cardholder(s) may effect transactions with the Credit Card and the Additional Credit Card(s) (and in other ways from time to time made possible by the Bank).

### **11.2 Application for the Credit Card and the Credit Line**

#### **11.2.1**

.....

The Customer may request one Credit Card for himself or herself from each type, as well as several additional cards of the same type as the Credit Card issued for the Customer, one per person, for the persons named by the Customer (up to the limit specified in the List of Terms and Conditions).

.....

### **11.3 Establishment of the Credit Line, Issue of the Credit Card and the PIN Code**

**11.3.1** Subject to the result of the credit evaluation made on the basis of the cardholder application, the Bank shall in its exclusive competence decide whether to approve the cardholder application or not, as well as take decision on the—established or offered—amount of the Credit Line.

The Bank shall notify the Credit Cardholder Applicant Customer of the acceptance of the cardholder application and the amount of the Credit Line established by the Bank and offered to the Customer in writing, or in other contact channels provided in the cardholder application. Of the rejection of the cardholder application, the Bank shall send written notice.

The Credit Card and the pertaining PIN code shall be delivered to the Credit Cardholder Applicant Customer (Additional Cardholder Applicant) in-person at the branch; if the Applicant is seriously and

permanently impeded (e.g. hospitalised), the Credit Card may be exceptionally delivered to a person authorised by a power of attorney contained in a private document with full probative force or in a deed attested by a notary public, or sent to the Credit Cardholder Applicant (Additional Cardholder Applicant) by mail.

Upon the Bank’s demand, the Customer (Additional Cardholder) shall make his/her specimen signature available to the Bank and undertake to sign all orders, representations, notices and reports given or sent to the Bank in a way matching such specimen signature. The Customer (Additional Cardholder) acknowledges that in addition to signature verification, the Bank shall have the right to check the Customer’s personal data prior to accepting any representation connected to the cardholder agreement or executing the Customer’s other instructions.

**11.4 Telebanking Identification Code (D-PIN)**

No D-PIN Code shall be requested for additional cardholders, unless they are authorised on a standing basis in respect of the payment account of the Customer.

**11.5 Additional Cardholders**

.....

The provisions of these General Business Conditions concerning the Customer and the Credit Card shall logically apply to Additional Cardholders and additional cards as well, unless these General Business Conditions provide otherwise. The Customer shall make sure that the Additional Cardholder is aware of the terms of contract concerning the credit card, and act in full compliance with the same. The Additional Cardholder shall have the right to effect the same transactions as the Customer may initiate as per the credit cardholder agreement; however, he/she shall not be authorised to make any kind of legally valid statement concerning the existence, termination or amendment of the credit cardholder agreement.

.....

The Bank shall have no liability whatsoever towards the Customer for losses the Customer might sustain due to an Additional Cardholder’s failure to use the Additional Credit Card in accordance with the provisions of these General Business Conditions or the credit cardholder agreement, or behaving in a way contrary thereto.

.....

**11.6 Use of the Credit Card**

**11.6.2** .....

If in the case of the reduction of the Credit Line the Customer does not wish to use the reduced Credit Line any longer, he/she shall have the right to end the use of the Credit Card pursuant to the provisions of these General Business Conditions concerning the termination of Credit Cards. If the Customer does not accept the Credit Line reduced by the Bank, the Bank shall become entitled to terminate the credit card agreement with immediate effect, and block the Credit Card.

.....

**11.6.3**

.....

If the Customer makes a deposit to the Credit Card Account that exceeds the used portion of the Credit Line and the amount of any Credit Line overshooting, such surplus shall be available for the Customer to use without such amounts increasing the Credit Line. The Bank shall keep record of any deposits by which the Credit Line is exceeded in the Credit Card Account. Upon the termination of the Credit Card Account, the Bank shall have the right to transfer the amount recorded by the Bank to the Customer’s payment account.

.....

**11.6.5** The Customer may utilise the Credit Line by using the Credit Card(s) issued by the Bank in connection with the Credit Card Account, by giving ad hoc transfer orders, as well as in the case of specific card types identified in the List of Terms & Conditions by giving authorisation for the fulfilment of direct debit orders. The Bank may make it possible for the Customer to dispose of the Credit Card Account using other methods of payment (orders) as well. Except for the termination of the Credit Card or the payment account, the Bank shall not execute cash withdrawal orders at the Bank's cash desks against the Credit Card Account.

.....

### **11.7 Fees, Commissions and Charges**

**11.7.2** The fees, commissions and charges as per the List of Terms and Conditions from time to time in effect shall be debited to the Credit Card Account upon the settlement of each transaction pursuant to these General Business Conditions, or when incurred; concurrently, the disposable balance of the available Credit Line shall be reduced accordingly. If the required balance is unavailable upon the debiting of fees, commissions and charges, the Bank will record its receivables in a claim registration account connected to the credit card account as past due debts owing to the Bank.

### **11.8 Settlement of the Transactions Arising from Credit Card Use**

**11.8.1** The Bank shall reduce the disposable balance of the Credit Line available in the Credit Card Account with the amount of the transactions carried out using the Credit Card issued for the Customer (Additional Cardholder)—without examining the legitimacy of such transactions—as well as with the amount of any credit transfer and direct debit orders, and then debit the amount drawn from the Credit Line to the Credit Card Account of the Customer pursuant to Section 10.1.6.1 of these General Business Conditions.

The Credit Card Account functions as a settlement account in so far as no interest is paid on its credit balances.

#### **11.8.2**

....

The closing balance shown in the current statement of account as well as the amount of any Credit Line overshooting should be paid in full and is due by the payment deadline shown in the statement at the latest, except for any case where the Customer uses an alternative repayment opportunity set forth in Section 11.8.4, or the Bank calls on the Customer in a special notice to pay the amount of the Credit Line overshooting with immediate effect in accordance with Section 11.8.4.

.....

**11.8.3** If the total amount of the debt as per the closing balance and in the event of any Credit Line overshooting the amount of the overshooting as well is repaid in full by the deadline shown in the statement of account, no interest shall be charged on the amount of the transactions effected during the given month (except for cash withdrawals).

**11.8.4** The Customer may decide not to repay the full amount of his debt as shown in the current closing balance, in which case the Customer shall after the date of preparation of the statement of account, by the payment deadline specified in the List of Terms and Conditions from time to time in effect or in the statement of account, pay at least the Minimum Payable Amount to the Bank. In the case of any contradiction or doubt, the deadline specified in the List of Terms and Conditions shall prevail.

.....

The Minimum Payable Amount is defined as a certain percentage—specified in the List of Terms and Conditions from time to time in effect—of the debt as shown in the closing balance of the current statement of account, subject to a minimum being the smallest amount of the Minimum Payable Amount. In case the

amount of the Customer's debt should exceed the Credit Line, the Customer shall at least pay the Minimum Payable Amount plus the amount of the Credit Line overshooting to the Bank.

.....

**11.8.6** The Customer's obligation to repay the Minimum Amount shall be effective only if the amount of his outstanding debt as per the closing balance of the statement of account equals or exceeds the smallest amount of the Minimum Payable Amount as specified in the List of Terms and Conditions from time to time in effect.

If the Customer fails to pay the Minimum Amount, or pays it only in part to the Bank, the unpaid debt will be automatically added to the Minimum Amount payable in the next monthly period.

The Customer's payment obligation from time to time outstanding as per Sections 11.8.4 to 11.8.6 as an amount repayable to the Bank is shown in the account statement.

**11.8.9** If the Customer fails to meet at least his/her payment obligation from time to time outstanding as per the statement of account in the period from the day of preparation of the statement of account until the current payment deadline, the Bank shall have the right to charge a monthly Penalty Fee set forth in the List of Terms and Conditions effective from time to time.

.....

**11.8.10** Amounts paid (via cash deposit, credit transfer, etc.) by the Customer to the credit of the Credit Card Account shall be settled in the following order:

1. transaction interests,
2. fees and commissions,
3. amount of any direct debit order (group collection),
4. the amount of transactions in a time sequence, starting with the transaction effected at the earliest.

In the case of transactions booked with the same value date, the order of settlement shall be:

1. cash withdrawal transactions, including amounts debited on the basis of ad hoc credit transfer orders,
2. purchases.

After credited to the Credit Card Account, repaid amounts can be drawn again to the extent of the Credit Line, pursuant to these General Business Conditions.

All charges—whether incurred in HUF or in a foreign currency—shall be charged to the Credit Card Account in the currency of the account.

Payments to the Credit Card Account may be effected in any of the following ways:

- cash deposit at the cash counters of the Bank's branches,
- ad hoc or standing in-house transfer order against a payment account kept at the Bank,
- clean payment orders against payment accounts kept at other banks,
- limit replenishment service concerning (i) the transfer of the total debt from time to time outstanding from a payment account kept at the Bank, or (ii) the collection of the same via direct debit against a payment account kept at another bank,
- in-house account transfer order for the fulfilment of the Customer's payment obligation from time to time outstanding as an amount repayable to the Bank against a payment account kept at the Bank, or direct debit order for the same against a payment account kept at another bank.

In case the Customer gives a direct debit order or a standing in-house account transfer order for the settlement of the total debt from time to time outstanding (limit replenishment service), and the balance in

the payment account to be debited is insufficient to cover the settlement of the total debt, the order shall be executed for the amount of the payment obligation from time to time outstanding.

By way of derogation from the aforesaid, the amount paid for the Credit Line overshooting as an overdue debt owed to the Bank shall be settled in accordance with the provisions of Chapter XIII/B of the GBC.

### **11.10 Credit Card Blockage**

**11.10.2** If the Credit Line is overdrawn, or if the Customer fails to meet his/her due payment obligation by the payment deadline specified in the current statement of account, the Bank shall have the right to block the Credit Card (including all credit cards belonging to the given *credit card* account) in its sole discretion, temporarily or with a final effect.

## **Annex No. 2 to the General Business Conditions**

### **OUTSOURCE LIST**

(as of 1 November 2016)

#### **Outsourced Activities Connected to Financial and Supplementary Financial Services**

<b>Activity</b>	<b>Organisation executing outsourced activity</b>		<b>Term</b>	<b>PSZÁF ref.</b>
Implementation of the exchange of messages connected to payment account switching through a protected, closed network	GIRO Elszámolásforgalmi Zrt.	1054 Budapest, Vadász u. 31.	From 28/10/2016 for indefinite term	