

# General Business Conditions of Consumer Banking of Citibank Europe plc Hungarian Branch Office

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## 1. GENERAL TERMS AND CONDITIONS OF SERVICES

### 1.1. INTRODUCTORY PROVISIONS

#### 1.1.1. Effect of General Business Conditions

- 1.1.1.1. The provisions of the present General Business Conditions shall apply to all legal relationships between Citibank Europe plc Hungarian Branch Office (the "Bank") and the Customer, in the course of which the Bank provides (or intends to provide) a Service for the Customer and/or the Customer uses (or intends to use) a Service of the Bank. The effect of the present General Business Conditions shall also extend to all other business relations, in the course of which the Bank and its contractual partner expressly agree on the application of the present General Business Conditions.
- 1.1.1.2. In the case of Agreements relating to Services, the provisions of the General Business Conditions shall be binding on both the Bank and the Customer, without the specific stipulation thereof. The Parties may, however, deviate from the provisions of the General Business Conditions by mutual consent in their individual Agreements or Orders within the boundaries of the applicable legal rules; in these cases, such different provisions, as agreed, shall override the General Terms and Conditions.
- 1.1.1.3. The General Business Conditions shall govern in respect of all issues which are not regulated in other parts of the Agreement. If the General Business Conditions and the other parts of the Agreement regulate the same issue in different ways, the provisions of the other parts of the Agreement shall govern.

#### 1.1.2. Definitions

For the purposes of the present General Business Conditions, the following terms shall convey the following meanings, unless expressly provided otherwise herein or expressly implied otherwise by the context:

- (A) **ATM:** an automatic teller machine operated by the Bank or any other Merchant, or any other device brought into service for this purpose that may be used with Citicards, which accepts Citicards, and through which the Cardholder is able to execute Orders with the combined use of his/her Citicard and PIN code;
- (B) **Bank:** Citibank Europe plc Hungarian Branch Office, which is a credit institution registered in Hungary having the main business scope of granting financial services and supplementary financial services, with its head office at: 1051 Budapest, Szabadság tér 7.; company register number: Cg. 01-17-000560; court of registration: Metropolitan Court as Court of Registration; operating license no. and date of issue: the operating licence issued by the Central Bank of Ireland on May 1, 2001.
- (C) **Bank Branch:** denotes the business sites and branch offices of the Bank which are open to Customers for the purposes of and in connection with the use of Services and the acceptance and execution of Orders, as well as for submitting complaints and comments.
- (D) **Banking Day:** every day, except for Saturdays and Sundays, on which the credit institutions in Hungary are open for business, excluded the Bank's off days, on which Customers have been properly informed; in the event of co-operating banks registered in countries other than Hungary, the days, on which the banks are open for business in the country where the bank concerned has its seat.
- (E) **Bank Charges:** denote all the fees, commissions, costs and interest which the Bank is entitled to charge in connection with its Services or the execution of Orders. The Bank Charges are stated in the Pricing Schedule, which form part of the Agreement.
- (F) **Depositor:** any resident natural person over the age of 18, who opens a registered deposit account, on which the Bank credits deposits and transfer orders addressed to him/her. The Bank registers tied-up deposit(s) and unfixed deposits on the deposit account in line with the depositor's instructions
- (G) **Citibank SMS Alerting Service:** denotes the Service of the Bank subject to the actual specification of the Bank, as part of which Cardholders holding Citicards, credit cards issued by the Bank may receive information related to certain debits and credits made on the Account, to Orders executed with Citicards, credit cards issued by the Bank and to the given Agreement or Service and any other general banking information, in the form of short text messages sent to a mobile phone (SMS) and/or of an electronic mail message (e-mail). The Citibank SMS Alerting Service does not qualify as an electronic payment device.
- (H) **Citibank Online:** denotes the facility for the electronic execution via the Internet of certain banking transactions and Orders relating to Services specified by the Bank, which service is accessible 24 hours a day, every day of the year. The execution of Orders via Citibank Online qualifies as use of a remote access (electronic) payment device.
- (I) **Citicard:** a cash-free remote access (electronic) payment device, a bank card, which is issued by the Bank at the request of the Account Holder or the Authorized Person, and which the Cardholder may or is obliged to use, pursuant to the terms and conditions of the relevant Agreement, for cash withdrawal, the settlement of the value of goods and services and the use of any other banking Services as specified by the Bank.

- (J) **CitiPhone Banking:** denotes the facility for the execution by telephone of certain banking transactions and Orders relating to Services specified by the Bank and the telephone customer service which also serves to provide information and to register complaints and is accessible 24 hours a day, every day of the year. The execution of Orders via CitiPhone Banking qualifies as use of a remote access (electronic) payment device.
- (K) **EBKM (Unified Deposit Rate Index):** an index calculated and published with two figure accuracy as an annual percentage rate applicable in the deposit contracts in compliance with Government Decree 41/1997 (III.5.) on the calculation and publication of the deposit interests, the securities' yield and of the annual percentage rate of loans.
- (L) **Merchant:** a legal entity that joined the settlement system of the Bank or, in the case of bank cards belonging to card companies, the settlement system of the Card Company via its clearing bank, who (which) accepts Citicards for the settlement of the value of services and goods in the capacity of obligee or makes cash payments on Citicards in the capacity of obligee.
- (M) **User Name:** an alphanumeric character chain identifying the Customer uniquely and unambiguously towards the Bank for the purpose of performing transactions through CBOL, which is formed based on specific rules and which based on the choice of the Customer is 6-30 characters long, with which together with the Password the Customer can access and give instructions through CBOL. The Customer determines the User Name at the time of the first login to CBOL using the CitiCard-number and the PIN code. The User Name can later be modified by the Customer.
- (N) **Password:** an alphanumeric character chain identifying the Customer uniquely and unambiguously towards the Bank for the purpose of performing transactions through CBOL, which is formed based on specific rules and which based on the choice of the Customer is 6-30 characters long, with which together with the User Name the Customer can access and give instructions through CBOL. The password can be entered by clicking with the mouse on the virtual keyboard appearing on the monitor. The Customer determines the Password at the time of the first login to CBOL using the CitiCard-number and the PIN code. The User Name can later be modified by the Customer. "User Name" and "Password", as well as any further safety requirements are hereinafter jointly referred to as Citibank Online Code.
- (O) **Cover:** the free and available positive balance on the Account specified in the Order or the Agreement that is necessary for the execution of the Order or, in the case of the availability of an overdraft facility on the Account, the free and available overdraft facility, which corresponds to the total of the amount of the Order and the Bank Charges to be debited in connection with the Order.
- (P) **Instruction upon death:** with a written unilateral declaration, any account holder or depositor of major age may decide that the account/deposit balance must be paid out or repaid to the beneficiary(s) specified by him in writing in the case of his death. The account balance involved in this declaration is not part of the account holder's/depositor's legacy and the beneficiary(ies) may dispose over it regardless of the legacy proceedings. The account holder may change the beneficiary(ies) by withdrawing or modifying any instructions issued earlier in writing, and may also withdraw in writing instructions upon death.
- (Q) **Application Form:** denotes all the forms determined by the Bank, through the correct and full completion of which the Customer makes a contractual offer to the Bank in respect of use of the given Service. The Application Form, if the Bank accepts the Customer's offer, forms part of the agreement relating to the given Service.
- (R) **Pricing Schedule (for Consumer Customers):** Information on the available services and the amounts payable for the Services which is posted on the Bank's premises open to customers and contains, in particular, the rates applicable to individual Orders, the Bank Charges, the types and rates of interest paid, the methods of calculation, information on the deposit insurance on Accounts (National Deposit Insurance Fund), the dates of closing settlement on Accounts in respect of each Service, the amounts of any security deposit and credit, and the changing terms and conditions applicable to individual Agreements. It also states the Bank's customer service and teller hours, the cut-off times for the acceptance and subject-day processing of Orders and the procedural rules for the processing of Orders. The Pricing Schedule constitute an inseparable part of the Agreement in respect of their provisions relating to the given Agreement, Service or Order.
- (S) **Cardholder:** an Account Holder holding a Citicard (hereinafter referred to as the "Account holder, Cardholder") and an Authorized Person holding a Citicard (hereinafter referred to as the "Authorised Person or Joint (Co)Account holder") (the Principal and Joint (Co)Account Holder and the Authorised Person hereinafter collectively referred to as "Cardholders").
- (T) **Card Company:** denotes the international organizations proceeding as legal entities, in particular, VISA International Inc., MasterCard International Inc., which the Bank, other banks, Merchants and other legal entities joined on the basis of membership or other agreements, and which are thereby authorized to issue and accept bank cards or credit cards displaying the logo of the given Card Company, to take part in the settlement of payments and to engage in other activities related to the above.
- (U) **Forced Credit:** The debit balance of the Account or, in the case of the availability of an overdraft facility on the Account, the debit balance in excess of the overdraft facility attached to the Account, qualifies as forced credit. The Bank will charge default interest on the amount of such Forced Credit, the rate of which is stated in the Pricing Schedule.
- (V) **Beneficiary:** The natural person, legal entity or economic organisation without legal entity, specified by the account holder/depositor in writing in an instruction upon death. If the Account Holder/Depositor dies, the Beneficiary(ies) can have access to the account balance and the interest thereof in the proportion specified in the instructions upon death.
- (W) **Outsourcing:** means that the Bank does not pursue its activities which are related to its financial and supplementary financial services or are required by law and which involve data management, data processing or data storage on its own but enters into exclusive agreements with organizationally independent persons or unincorporated business associations for the continuous or regular fulfilment of such responsibilities.
- (X) **Joint or Co-Account Holder:** a private individual of at least 18 years of age with full legal capacity who signs the Account Agreement together with the Account Holder in that capacity, and thereby has the same rights and obligations as the Account Holder. The Joint Account Holder, as co-debtor, will owe joint and

several liability with the Account Holder for the full amount of any debt towards the Bank outstanding on the Account.

- (Y) **Order:** An instruction that may be given by the Customer, as permitted by the Bank, as part of the given Service under the terms and conditions of the Agreement. The submission of money transaction orders and any deposit tie-up, as well as instructions upon death, will qualify, inter alia, as orders.
- (Z) **Authorized Person:** a private individual of at least 14 years of age with limited legal capacity and an individual of at least 18 years of age with full legal capacity who is authorized by the Account Holder under the terms and conditions of the Account Agreement and to whom the Account Holder grants a right of disposal, as defined in the Account Agreement, in connection with the Services specified in the Account Agreement, without being entitled to modify or to terminate the Account Agreement.
- (AA) **Business Day:** every calendar day which is declared a business day under the rules of law and which is not a bank holiday.
- (BB) **PIN code:** a currently four-digit number identifying the Cardholder solely and clearly towards the Bank for the purposes of certain transactions executed with the Citicard, with the aid of which the Cardholder may execute Orders in the Bank Branches and at Merchants and identifies himself/herself in the Bank Branches.
- (CC) **Account or Accounts:** denote(s) the Account or Accounts kept in the Hungarian currency or in the foreign currencies quoted by the Bank for executing the Account Holder's money transactions, keeping records of his/her funds, receivables from the Bank and debts towards the Bank, and settling any transactions conducted with the Bank under the terms and conditions of the Agreement.
- (DD) **Account Holder:** a person of at least 18 years of age who signs the Account Agreement;
- (EE) **Account Agreement:** A contract, based on which the Bank undertakes an obligation to open a retail HUF and/or currency account for the Account Holder and Joint Account Holder who are natural persons over the age of 18, not limited in their actions, on which the Bank shall manage and record the funds available for the Account Holder, performing cash management (payments and deposits) and clearing (transfer, collection) orders in accordance with the provisions of the legal regulations on payments and shall notify the Account Holder of the amounts credited and debited to his account, as well as the balance thereof.
- (FF) **Agreement:** denotes the agreement which is entered into by the Parties in respect of the given Service. The Application Form relating to the given Service, the present General Business Conditions, the general terms of agreement relating to the given Service (if any) and the relevant part(s) of the Pricing Schedule form part of the Agreement. The agreement signed by the Parties may permit deviation from the present rule.
- (GG) **Service:** denotes the financial or supplementary financial service or any other service that may be rendered by the Bank as part of its business on the basis of the applicable legal rules which the Bank provides for the Customer on the basis of and pursuant to the terms and conditions of the Agreement, unless it follows otherwise from these General Business Conditions or the applicable general insurance conditions provides otherwise, the concept of service also includes the insurance policies mediated by the Bank as an insurance mediation party.
- (HH) **APR (Annual Percentage Rate):** is the internal interest rate, calculated with two decimals accuracy, at which the amount of the principal and of the loan charges to be repaid by the Customer is equal with the loan amount decreased by all costs paid by the Customer until and including the loan's disbursement - with specified exceptions - in connection with the loan. The APR must be calculated on the basis of the expenses payable by the Customer to the Bank. The following items cannot be taken into account for the calculation of the APR: the extension cost, default interest, any other payment obligation that arises from the non-performance of any obligation undertaken in the contract, insurance premium and guarantee fees and transfer charges. The APR is calculated in accordance with the currently effective terms and conditions and the effective legal regulations and it may change if its conditions change. The APR does not reflect the interest risks of the loan. The detailed conditions of the calculation and disclosure of the APR are contained in 41/1997 (III.5.) Government Decree.
- (II) **T-PIN code:** a number that identifies the Cardholder solely and clearly towards the Bank for the purposes of use of the CitiPhone Banking Service, with the aid of which the Cardholder may use the CitiPhone Banking Service and may give Orders via the CitiPhone Banking Service.
- (JJ) **Customer:** a private individual using the Bank's Services and giving the Bank Orders and his/her Authorized Persons, in particular, the Account Holder and/or the Cardholder (the Customer and the Bank hereinafter referred to separately as "Party", and collectively as the "Parties").
- (KK) **Purchase:** Payment of the consideration for the services and goods at the merchant with a card. Any purchase transaction performed at an eligible merchant on the Internet though a letter or by phone without the physical presence of the card shall also constitute a purchase.

## 1. 2. CONCLUSION OF AGREEMENT, AUTHORIZATION

### 1.2.1. Process of conclusion of agreement

- 1.2.1.1. By submitting to the Bank a duly and fully completed Application Form signed by the Customer and, in the case of an Authorized Person, also by the Authorized Person, together with the supplements requested by the Bank, the Customer makes an offer to the Bank for the conclusion of a Agreement, thus among others may request the authorization of an overdraft facility and may request the Bank to issue a Citicard to the Customer or Customers stated in the Application Form or to grant other Services.
- 1.2.1.2. The Customer may view the General Business Conditions, the Pricing Schedule and the Application Form, as in force, as well as any further appendices and the amendments thereto (a) on the Bank's Internet home page ([www.citibank.hu](http://www.citibank.hu)), (b) in the Bank's branches, (c) via the Bank's agents or (d) at the official customer service of CitiPhone Banking prior to, simultaneously with or following application.
- 1.2.1.3. The Bank shall decide on the acceptance of the offer relating to the conclusion of a Agreement within its own competence, on the basis of its own assessment criteria. The Bank may check the authenticity of the details supplied by the Customer in the course of its assessment. The Customer shall be bound by his/her offer made in the Application Form until he/she is informed by the Bank of the result of the assessment of his/her offer.
- 1.2.1.4. By signing the Application Form, the Account Holder hereby declares and warrants that
- all information supplied to the Bank in the course of application and thereafter is true and correct;
  - he/she has full legal capacity, and signature of the Application Form lawfully and validly binds him/her in respect of the contents of the Agreement;
  - he/she is familiar with
    - the full contents of the Agreement,
    - in the case of deposit agreement: the interest calculation formula, the first and last day of interest-bearing, the date(s) of crediting the interests, the possibilities of changing the interest rate, the minimum amount of deposit accepted by the credit institution, the conditions of retiring the deposit prior to the date of expiry, any facts, information or condition influencing the amount payable during the deposit term, at its expiry and thereafter and the value of the EBKM,

- in the case of loan agreements: the draft agreement, the way of including the credit evaluation fee into the handling charges, the expectable charges of prolongation, the default interest rate payable in the event of Customer's non-performance and terms and conditions of termination, the APR with two digit accuracy by explaining the abbreviation, the calculation method of the APR and definition and expectable amount of the additional costs not included during the APR calculation any and all amounts payable for the financial institution in connection with the loan disbursement, as well as any other conditions required by the financial institution for granting the loan,
  - where applicable, the ancillary obligations securing the Agreement and the collateral items securing the Agreement,
  - any terms and conditions materially deviating from the usual contractual practice or from the provisions relating to the agreement or from any stipulations used by the Parties earlier,
  - the terms and conditions of data transfer to the Central Credit Information System.
- d) he/she shall notify the Bank in the event of any delay or any other breach of agreement;
- e) he/she shall notify the Bank of all circumstances with an impact on his/her financial situation, including any changes in his/her details of employment or in any details supplied upon application or at any time thereafter;
- f) he/she has fully familiarized himself/herself with the Agreement and accepts all the terms and conditions set forth therein as binding on him/her.
- 1.2.1.5. In the event of an application for a card, by submitting the Application Form and the supplements thereto, the Cardholder expressly requests and consents to the issuance by the Bank of a Citicard for him/her and accepts that the provisions of the Agreement apply to use of the Citicard.

### 1.2.2. Acceptance of an offer with different contents

- 1.2.2.1. The Customer hereby accepts that if the offer does not satisfy the Bank's assessment criteria, the Bank may refuse the offer and may refuse to enter into a Agreement without stating its reasons. The Bank reserves the right not to enter into a Agreement on the basis of an incomplete or erroneously completed offer; a forged offer, an offer obviously containing erroneous data or not furnished with the required supplements.
- 1.2.2.2. The Bank shall be entitled to accept the Customer's offer with different contents in respect of certain conditions in the course of the assessment process. The Bank shall notify the Customer of such different conditions of acceptance. The Customer may also be notified via CitiPhone Banking. In this case, the Customer may select the offer best suited to his/her expectations by telephone from among the options offered.
- 1.2.2.3. In this case, the Agreement shall come into being between the Parties if the Customer confirms as accepted the stipulations stated in the Bank's declaration of acceptance with different contents by validating the Citicard or submitting Orders. In the event of belated acceptance or acceptance contrary to the terms of the Agreement, the Bank shall be entitled to refuse the offer without stating its reasons.
- 1.2.2.4. Based on the Agreement concluded, the Bank shall open a current account for the Customer's name under the terms and conditions specified in the Application form, shall issue a Citicard at the Customer's request and shall enable the Customer to use further Services and to submit Orders under the terms and conditions of the Agreement.

### 1.2.3. Joint (Co)Account Holder

- 1.2.3.1. If several Customers enter into the same Agreement jointly (Joint Account Holders), these Customers shall owe joint and several liability towards the Bank in connection with the Agreement and any further Services used and Orders and Authorizations submitted as part of the Agreement, they shall only be entitled to amend or to terminate the Agreement and to terminate all Accounts jointly, via a unanimous declaration, however, they may use any further Services under the Agreement also separately, independently of one another, may request the opening and termination of Accounts, may submit Orders individually, and may also grant authorizations to third party Authorized Persons on their own.
- 1.2.3.2. In the case of joint account holders, all Customers shall have the same rights and obligations towards the Bank in respect of the given Agreement, and any restriction on the rights of the Customers shall not be effective vis-à-vis the Bank. The Bank shall not investigate the content of any other legal relationship between the Customers, or the extent and content of any rights and obligations that may arise therefrom towards one another. If the Bank becomes aware that a dispute of any kind arose between the Customers in connection with their rights and obligations towards one another, the Bank shall be entitled to suspend the availability of the Services to the Customers until the written settlement of the dispute in a way which is also satisfactory for the Bank. The Bank shall not be liable for any losses arising therefrom.
- 1.2.3.3. An Order or Authorization from a Customer submitting an Order to the Bank or authorizing a third party also means that the Customer shall warrant to the Bank that he/she had previously obtained the consent, with the contents and in the form required by law, of all the Customers to the Order / Authorization, and shall also declare that the Order / Authorization is submitted by him/her with the full agreement of the other Customers. The Customer giving the Order / Authorization shall be fully liable for any losses that may arise from the lack of such consent and that may be incurred by any of the Customers, third parties or the Bank.

### 1.2.4. Authorization

- 1.2.4.1. If the Account Holder authorizes another private individual in connection with the Agreement or the Services, he/she may do so in writing, in the form approved by the Bank or, if the Bank had previously identified the person intended to be authorized in connection with another Agreement and the given person is a Customer of the Bank, and provided that the applicable laws do not prescribe mandatory written records in respect of the given legally binding declaration, by using CitiPhone Banking. Revocation of the Authorization shall only take effect vis-à-vis the Bank one Business Day after the Bank is notified of revocation. Any authorization shall cease to have effect upon the death of the Account Holder or the Authorized Person.
- 1.2.4.2. Within the boundaries of the Agreement, the Authorized Person may request the opening and termination of Accounts and may submit Orders within the boundaries of the Agreement, however, he/she shall not be entitled to terminate or to amend the Agreement, to terminate all the Accounts or to enable further parties to gain access to the Account.
- 1.2.4.3. The Account Holder shall be fully liable for all the actions and debts of the Authorized Person performed and incurred in that capacity. The Authorized Person and the Account Holder shall owe joint and several liability for any Orders executed by the Authorized Person.
- 1.2.4.4. If a dispute arose between the Authorized Person and the authorizing Customer in connection with the Authorized Persons or their right of disposal, and one of them informed the Bank thereof, the Bank shall be entitled to suspend all Services and the execution of Orders until the Authorized Person and the authorizing Customer enter into a written agreement, also acceptable for the Bank, for the definitive settlement of the dispute in accordance with the Agreement.

1.2.4.5. If the Customer simultaneously uses financial and investment Services of the Bank, subsequent amendments of the legal relationship concerning financial Services (for example issuing authorization to a new Authorized Person) is only possible if the same modifications are simultaneously and in like manner performed in the legal relationship related to the investment Service(s).

### **1.2.5. Cooperation of the Parties for the prevention and avoidance of money laundering**

1.2.5.1. The Parties must co-operate with each other in order to comply with the legal regulations on the prevention and avoidance of money laundering. If the Bank has a suspicion that the assumed purpose of the contract is money laundering, it shall proceed in compliance with the provisions of the legal regulations and internal regulations

1.2.5.2. **Customer due diligence and data registration obligation:** When a business relationship is established with the Customer, the Bank's employee or representative identifies the Customer and registers his data specified by law on the basis of the document certifying personal identity defined in Act CXXXVI of 2007 on the prevention and avoidance of money laundering and terrorist financing. The Bank also has an identification obligation whenever it accepts an order from a Customer involving at least three million and six hundred thousand forints or more (in HUF Currency or foreign exchange) and whenever, regardless of any specific limit expressed as an amount, the Bank comes across any fact, data or circumstance indicating money laundering or terrorist financing, or whenever there is any doubt with regard to the integrity or adequacy of the previously registered Customer identification data. The identification does not have to be completed again if a) the Bank has already identified the Customer in relation to another transaction and b) the Bank has already established the Customer's identity in relation to the Contract and c) there were no in the data recorded about the Customer by the Bank in compliance with the provisions of the applicable law.

1.2.5.3. **Obligation to issue a declaration:** The Customer must issue a written declaration to the Bank stating whether or not he proceeds in his own name or in the name and interest of the beneficial owner. The beneficial owner is the natural person on whose instructions some transaction order is performed (hereinafter this person is the Beneficial Owner) If there is any doubt at any time about the identity of the Beneficial Owner, the Bank shall instruct the Customer to issue a (repeated) written declaration about the Beneficial Owner.

1.2.5.4. The Customer must notify the Bank about any change in his data provided during the identification process or concerning the identity of the Beneficial Owner, taking place during the effective term of the contract, within five working days from learning about such a change.

1.2.5.5. If the data of the Customer or the Beneficial Owner specified by law cannot be established or obtained during the identification procedure, then the Bank shall refuse the contract, or the performance of the order and any subsequent transaction orders.

## **1.3. GENERAL RULES GOVERNING ORDERS**

### **1.3.1. Submission of Orders**

The Customer may give the Bank Orders, and may use the Services of the Bank, electronically, in the forms supplied, or in other ways, as stated below:

- a) by using ATMs or making purchases with the Citicard;
- b) by using CitiPhone Banking;
- c) by proceeding in person in the Bank's branches;
- d) by using Citibank Online;
- e) in writing, by mailing letters to the Bank or in a facsimile message (under the condition, in this latter case, that such way of communication is actually made possible by the Bank for the Service or Order concerned).

### **1.3.2. Providing the specimen signature**

The Customer shall provide his/her specimen signature to be used for the purposes of his/her Orders to the Bank in the form and in the manner prescribed by the Bank.

### **1.3.3. Acceptance of Orders**

#### **1.3.3.1. Appropriate form and contents**

- (a) Orders shall be placed at the Bank's disposal in the manner, with the contents and in the form specified in the Agreement. The Bank shall accept Orders which satisfy its criteria or are submitted in the forms distributed by the Bank for the purpose. The Bank may refuse Orders, without execution, which do not satisfy the above criteria.
- (b) The Customer shall state the data necessary for the execution of the Order precisely and unequivocally. In the absence of such data, the Bank may refuse to execute the Order. The Bank shall not be obliged to investigate the correctness, accuracy, unnecessary multiplication, misleading or in any other way incomplete nature of the data supplied to the Bank. The Bank shall not be liable for any damage or losses that may arise from the execution or non-execution of Orders containing erroneous data.
- (c) Unless the Bank causes the Customer to sustain losses through an act of gross negligence or wilful conduct, the Bank shall not be liable for any losses or costs that the Customer may incur because the Order / Service request is erroneous or unrequired; this rule of liability shall also apply to the Bank's representatives, employees and agents.
- (d) With a written declaration contained in a Notarised Deed or a private document with full probative force, the Account Holder may transfer the total current balance of the account/accounts specified by him to the Beneficiary(ies) appointed by him, upon his death. Pursuant to this provision the account balance shall not be included in the legacy of the Account Holder Customer and the Beneficiary(ies) may have access to it without any legacy procedure following the certification of the Account Holder's death. (Presentation of the death certificate attested by a notary public, or the death certificate carrying an apostille in compliance with the provisions of the applicable legal regulations). The Beneficiary(ies) may only order the termination of the account and the payment or transfer of the account balance. The order appointing the Beneficiary shall only be effective if the account balance is positive at the time of the death and the balance does not turn into a negative balance as a result of the execution of the order(s) performed between the time of death and the Beneficiary's order, either.

#### **1.3.3.2. Sufficient cover**

A condition of the execution of payment Orders is that sufficient cover be available on the Account for the execution of the Order and the collection of the Bank Charges related to the Order upon submission of the Order to the Bank, or, due to the Order's character, at the time of its execution. If an overdraft facility is attached to the Account, the free and available overdraft facility shall form part of the Cover of the Order, pursuant to the terms and conditions of the overdraft agreement. If the necessary Cover is not available for the execution of the given Order, the Bank shall cancel (not place in queue) the Order, with the exception of orders, which must be suspended on a mandatory basis pursuant to applicable legal rules.

#### **1.3.3.3. Due authority**

- (a) The Bank shall investigate the Customer's authority to submit the Order in every instance.

(b) In the case of written Orders, if the Customer's signature is not replaced with electronic encoding in the course of the Order procedure, the Bank shall compare the signature on the Order with the specimen signature reported to it, shall refuse Orders bearing signatures that do not correspond to the reported specimen signatures and shall inform the Account Holder thereof. The Bank shall not be liable for the consequences that may arise from the execution of counterfeit or forged Orders where it was impossible to establish the forged nature of the Orders with the exercise of due care on the Bank's part. Any damage, losses and/or costs related to the above shall lie solely with the Customer.

(c) Substitution of signatures by electronic encoding

- (i) The customer shall verify his/her due authority and shall submit Orders in ATMs or upon purchases made with a Citicard by using his/her Citicard and PIN code (in the course of purchases also by signing the certificate), upon using the services of CitiPhone Banking, by using his/her Citicard and T-PIN code, when proceeding in person in the Bank's branches, by using his/her Citicard and PIN code, and upon using the services of Citibank Online, by using his/her Citibank Online Code.
- (ii) If the Customer submits an Order or requests a Service by using CitiPhone Banking or in person in the Bank's branches, in the interest of the identification of the Customer, in addition to the identification procedure defined in the Agreement, the Bank shall be entitled to take further measures to identify the Customer, pursuant to its own security regulations, including but not limited to customer identification by way of the PIN code, T-PIN code and a comparison of signatures.
- (iii) If, in the course of an Order procedure, the Customer's signature is substituted by electronic encoding, the Bank shall only be liable for an Order executed by a party not authorized thereto if the Bank should have recognized the absence of authority while proceeding with due care, or was expected to have been informed of the blocking of the Citicard / PIN codes (PIN code, T-PIN code Citibank Online Code collectively).

#### **1.3.3.4. Compliance with legal rules**

The Customer shall be liable for ensuring that the Orders given by him/her comply with the Hungarian legal rules. The Bank shall refuse to execute an Order if it detects that the Customer is in violation of the Hungarian rules of law, and the Bank shall inform the Customer thereof.

#### **1.3.3.5. Observance of cut-off times**

(a) The Bank shall determine and publish in its Pricing Schedule the starting and closing times on Business Days between which Orders may be submitted to the Bank. The Bank shall only accept Orders during the customer service hours (teller hours) announced. The customer service hours (teller hours) are stated in the Pricing Schedule. Considering that the Bank sets various deadlines for submission in respect of the individual channels suitable for the submission of Orders, such deadlines may deviate from teller hours. The Bank may change its customer service hours (teller hours) at any time, of which it shall inform its Customers.

(b) Order acceptance cut-off times for execution within the subject day  
The Bank shall determine the cut-off time (cut-off times) within the starting and closing times referred to in paragraph (a) until which it agrees to fulfil its responsibilities arising from the execution of Orders accepted (received) by it on the subject day. The provisions set forth in the above paragraph (a) shall duly apply to the publication and modification of these cut-off times. The Bank shall commence the fulfilment of its responsibilities arising from the execution of any further Orders received beyond the cut-off time determined for subject-day processing but before the closing time referred to in the above paragraph (a) on the following business day, at the latest, unless the Customer specifies a later date. If the Bank receives an Order beyond the pre-determined customer service hours referred to in the above paragraph (a), it shall treat it as received on the following Business Day.

#### **1.3.3.6. Cancellation and modification of Orders**

- (a) An Order may be cancelled and modified, if it is possible on the basis of the Pricing Schedule, within the time limit or until the occurrence of the condition determined therein, however, no cancellation or modification is permitted thereafter. Orders given with Citicards may not be cancelled or modified.
- (b) The Bank shall only take account of modifications or cancellations submitted in the appropriate manner and within the applicable deadline. The Bank shall make every reasonable effort to execute such duly made modification or cancellation, however, the Bank shall not be liable for any losses which may arise from the non-execution of such modification or cancellation.
- (c) All costs arising from the cancellation or modification of an Order shall lie with the Customer. The Bank shall not be liable for any losses sustained by the Customer or any third party in connection with the modification or cancellation of Orders.

### **1.3.4. Execution of Orders**

1.3.4.1. Prior to executing Orders (processing Service requests), the Bank shall be entitled to ask the Customer questions regarding the nature and background of the Order (Service request) and regarding the actual holders. If the Customer provides incomplete answers or does not provide an answer or if, based on the answers provided, the Bank is unable to execute the Order (process the Service request), the Bank shall be entitled to refuse to execute the Order (process the Service request).

#### **1.3.4.2. Execution deadlines**

- (a) The deadline for the execution of Orders shall commence as of the time of acceptance of the Order, unless the Customer or the Bank specifies a later date (value-dated Order). The commencement of the deadline for execution is the time when all details necessary for the execution of the Orders and the Cover required for execution are available.
- (b) The Customer may only give the Bank instructions to process Orders with priority in deviation from the order of receipt with respect to the specific range of such Orders set out in the applicable laws, following the execution of Orders ranked with higher priority under the applicable laws, in writing, upon submission of the given Order.
- (c) Orders to be executed at a specified date and received by the Bank before the payment day shall be treated by the Bank as Orders received prior to any Orders received and due on the given day. If this date does not fall on a Business Day, the Bank shall execute the Order on the Business Day immediately preceding the specified date.
- (d) If both the obligor and the obligee Customers keep their accounts with the Bank, the Bank shall perform the credit and debit on the same Business Day. The Bank shall credit amounts received by the Bank to the Customer's credit onto the Customer's Account on the day on which the Bank becomes aware of the crediting of such amounts onto the Bank's account. The Bank becomes aware of crediting as of when the clearing organization makes the notice relating to the Order to be executed and necessary for execution accessible to the Bank.
- (e) In the case of a direct cash payment to the Customer's Account at the Bank's cash counter, the Bank shall credit the amount on the day of payment.
- (f) The execution deadlines shall be different in the case of payment Orders requiring conversion between currencies, transfers to foreign countries and

Orders given in foreign currencies. The Bank shall state the execution deadlines for these in its Pricing Schedule.

- 1.3.4.3. Disclosure of information to Customer  
Upon the submission of Orders, the Bank shall provide information on the costs of and deadline for the execution of the Orders, at the Customer's request.
- 1.3.4.4. Order of execution, Orders that cannot be executed due to lack of Cover
- The order of receipt of Orders by the Bank shall be governed by the Bank's records.
  - The Bank shall execute Orders kept pending on a mandatory basis in the case of a shortage of Cover, as set out in the applicable legal rules, without regard to the Customer's instruction and the order of receipt, in the order determined in the applicable laws. In the case of Orders to be executed with the same priority, the time of receipt shall determine the order of execution.
  - The Bank shall be entitled to correct any erroneous entries made by the Bank in the Account prior to the execution of all other Orders, without the prior notification of the Account Holder. The Bank shall inform the Customer of such correction by way of the next Account Statement.
  - If the available Cover does not permit the execution of all due Orders, in the absence of the Customer's instruction to a different effect, the Bank shall follow the order of receipt in its execution of the Orders.
  - In the event of a shortage of Cover, the Bank shall be entitled to refuse an Order without keeping it pending, except for the Orders that shall be kept pending on a mandatory basis under the applicable laws.
- 1.3.4.5. In the cases determined in the applicable laws, the Bank shall be entitled and obliged to debit the Account without or even in spite of the Account Holder's instruction.
- 1.3.4.6. If the Customer fails to meet his/her payment obligation towards the Bank, the Bank shall be entitled to keep the execution of the Customer's Orders pending or refuse it. The Bank shall not be liable for any damage or loss arising from such suspension.

### 1.3.5. Order Limits (hereinafter referred to as "Limits")

- 1.3.5.1. The Limits applicable to various Orders are stated in the Pricing Schedule. The Bank shall be entitled to change or cancel the Limits or to introduce new Limits pursuant to the rules relating to the modification of the Pricing Schedule.
- 1.3.5.2. The Bank shall limit the maximum amount of the Orders that may be submitted via CitiPhone Banking and the amounts disbursed by the Bank to the Customer in cash on any one day. The relevant conditions are detailed in the Pricing Schedule.
- 1.3.5.3. The Bank may, within a given period, limit the number and amount of the Orders that may be executed with a Citicard and the number of rejected Orders. Merchants, too, shall be entitled to apply Limits which may limit Orders beyond and independently of the Limits established by the Bank.
- 1.3.5.4. In addition to the Limits stated in the Pricing Schedule, the Bank operates a complex limit system in respect of the Orders that may be carried out with Citicards and Citibank Online, the purpose of which is to avoid potential card fraud with Citicards. For security reasons, the Bank shall not disclose this limit system to the public.

### 1.3.6 Suspension of the right of disposal on a temporary basis

The Bank reserves the right to suspend the Customer's right of disposal related to any or all Services, or execution of any or all Orders submitted by the Customer, on a temporary basis, if (i) the Customer fails to answer the inquiry sent to the Customer by the Bank in accordance with the Agreement, which shall qualify as of basic importance on the basis of a legal rule and a regulation of an authority mandatory from the respect of the given Service, or at the Bank's reasonable discretion, by the deadline and in the manner determined by the Bank, and fails to meet the Bank's request to that effect, or (ii) the Customer fails to meet its obligation of reporting related to a legal rule or a regulation of an authority, or the changes of the Customer's data stipulated in the Agreement, or any other obligation of reporting, or (iii) the Bank is unable to enter into connection with the Customer on the basis of the data provided by the Customer despite taking all necessary measures expectable of it. The Bank shall not assume any responsibility in respect of the damage arising from the suspension of the right of disposal, on a temporary basis, for such reasons and in such manner.

## 1.4. CITICARD, CITIPHONE BANKING, CITIBANK ONLINE AND THE CITIBANK SMS ALERTING SERVICE

### 1.4.1. PIN code, Citibank Online Code, T-PIN code (hereinafter collectively referred to as "PIN" codes)

Use of the PIN codes and the Citicard or the number of the Citicard is an electronic encoding procedure which serves to substitute the Customer's signature. Cardholders may not choose PIN codes that correspond to their own date of birth, address, car registration number or any other similar codes that may be deduced from the person of the Cardholder, and liability for all losses that may arise from the selected PIN code shall lie with the Cardholder. Cardholders are entitled to change their PIN codes. Customers shall keep their PIN codes secret. The Citibank Online code may be altered via Citibank Online, while the PIN code and the T-PIN code may be changed via CitiPhone Banking or in the Bank Branches.

### 1.4.2. Citicard

- 1.4.2.1. The Citicard constitutes the Bank's property. The rights and obligations set forth in the Agreement and attached to the Citicard are, for the protection of the Cardholder's interests, personal. The Bank shall not accept and shall not consider valid any authorization given by the Cardholder to third parties in connection with the Citicard, except for the Account Holder's authorization relating to the Citicards of the Authorised Person.
- 1.4.2.2. By using the Citicard and the appropriate PIN code, the Cardholder may give the types of Orders which he/she is duly authorized to give under the Agreement.
- 1.4.2.3. Issuance, receipt and validation of Citicards
- Following acceptance of the Account Holder's offer, the Bank shall mail the Citicard(s), at the Cardholder's risk, to the mail address stated by the Account Holder in the Application Form. Upon receipt of the Citicard, the Cardholder shall sign his/her Citicard immediately, in the same way as provided in the Application Form. In the case of failure to sign the Citicard or inappropriate signature, the Cardholder shall be liable for any unauthorized Orders carried out with his/her Citicard.
  - The Citicard may be validated via CitiPhone Banking. The Bank shall identify the Cardholder; following identification, the Bank shall validate the Citicard and the Cardholder shall determine PIN and T-PIN codes via CitiPhone Banking, without the assistance of staff members, pursuant to the detailed rules stated by the Bank. In the course, and in the interest, of validation, the Cardholder shall duly identify himself/herself and disclose the number of his/her Account or any other confidential information that the Bank may request. A Citicard collected by his/her Cardholder may be used immediately following its activation by the Bank. The Agreement shall come into force upon the validation of the Citicard as stated in the foregoing.
  - If the Cardholder does not wish the Agreement to enter into force with respect to him/her, he/she shall destroy the Citicard without having

previously validated or used the Citicard, and shall inform the Bank of his/her intention to prevent the Agreement from coming into force.

- 1.4.2.4. Validity, renewal and termination of Citicards
- The term of validity of the Citicard is stated on the front of the Citicard. The Citicard may be used until 12.00 midnight of the last day of the month indicated on its front. The Bank shall automatically renew the Citicard if the Cardholder satisfies the Bank's assessment criteria applied in the course of renewal and the Bank received no written instruction to the contrary from the Cardholder at least two months prior to the expiry of the Citicard. If the Bank does not renew the Citicard, it shall inform the Cardholder thereof. In this case, the Bank shall also be entitled to terminate the Agreement. The invalidity of the Authorised Person's Citicard shall not invalidate the Account Holder's Citicard and shall not terminate the Agreement.
  - In the event of replacement due to theft, loss, renewal or any other reason, the Bank shall send the Cardholder the Citicard by mail to the Cardholder's mail address supplied to the Bank, at the Cardholder's risk or submit it in any other manner detailed in the Pricing Schedule.
  - The Bank hereby agrees that, following the valid cancellation of the Cardholder's right of disposal, as acknowledged by the Bank, the Cardholder's Citicard and the PIN, T-PIN and Citibank Online Codes attached thereto may not be used any further for the purposes of providing instructions in connection with the given Agreement.
  - The Bank may, at any time and without prior notification, suspend or terminate the Cardholder's ability to use his/her Citicard. The Bank shall notify the Cardholder of such suspension or termination in writing. In these cases, the Bank shall not be liable for any damage or loss that may have been sustained by the Cardholder due to the suspension or interruption in question.
  - The Bank may, at any time, invalidate the Citicard and may, temporarily or definitively, terminate the availability of one or several ATMs for the submission of Orders.
- 1.4.2.5. Orders given with Citicards, most important rules of use of Citicards
- Cardholders shall only be entitled to use their Citicards pursuant to their designated purpose; the Bank shall not be liable for any losses sustained by the Customer or third parties in connection with use of the Citicard contrary to its designated purpose.
  - If the Account Holder has several Accounts, Orders given with his/her Citicard shall be executed to the debit of the current account designated by the Account Holder for the purpose. The Account Holder may change this designated Current Account at any time via CitiPhone Banking.
  - Cardholders may give Orders with their Citicards and PIN codes in person in the Bank's branches and via CitiPhone Banking by using their Citicards and T-PIN codes and via Citibank Online by using their Citibank Online Codes, and may withdraw cash in the currency of the country of cash withdrawal by using their Citicards and PIN codes.
  - The different types of Citicard issued by the Bank may be used for purchases in the currency of the country of the purchase, to the debit of the free and available balance of the current account attached to the Citicard. Cardholders may only settle the value of purchases actually made and services actually used with their Citicards. Cardholders shall be identified by Merchants on the basis of their Citicards and their signatures corresponding to the signatures featured thereon and/or verification by way of the PIN code. In addition, Merchants may also require Cardholders to present their identity cards or passports for the purpose of identification. Payment with the Citicard shall be effected in compliance with the rules determined by the Merchant's bank. Based on its agreement entered into with its bank, the Merchant shall accept all Citicards belonging to the card companies, the logos of which it displays. If the payment is made on the Internet, the merchant may request the expiry date and other identification data contained on the Citicard for the transaction.
  - Cardholders shall check in the certificates issued of the execution of their Orders with their Citicards whether the data stated therein correspond to the truth, shall sign the certificates in the same way as featured on their Citicards [with the exception of cash withdrawal from an ATM or order by phone, letter/Internet] and shall use their PIN codes in the case of Orders requiring the use of PIN codes. The Cardholder shall be liable for any legal consequences that may arise from failure to proceed as stated above or from proceeding in deviation from the above.
  - Cardholders may only use their Citicards in ATMs and at Merchants which display the logos shown on their Citicards. The Cardholder hereby accepts that the Bank shall be entitled to cancel the use of Citicards in the ATMs of other banks at any time.
  - Unless agreed otherwise, Orders may only be executed with a Citicard on the condition that there is sufficient Cover on the given Account and the amount of the Order does not exceed the Limit. A transaction effected with a Citicard shall qualify as an irrevocable transaction on the Cardholder's part.
  - In connection with Orders executed with Citicards, the Bank shall be entitled to shift any charges and fees charged by other banks or the Card Company in respect of the given Orders onto the Cardholder, and shall be entitled to charge the fees stated in the Pricing Schedule for such Orders.
  - If the currency of the Account concerned and that of the Order executed with the Citicard connected with such Account are differing, the conversion between the currency of the Order and that of the Account will be performed by the Bank in a manner converting first the amount expressed in the currency of the Order at the cross-rate applied by the Card Company or by any other clearing entity being in contact with the Bank, converting thereafter the amount expressed in the currency of the Card Company or of the clearing entity to the currency of the Account at the daily rate applied by the Bank for the Order type concerned (for cash transactions at the daily currency rate, for purchase transactions at the daily exchange rate). That is, the exchange rate of an Order executed in a currency other than the currency of the Account may be determined as the quotient of the amount determined in the currency of the Order stated in the Account Statement and the amount stated in the currency of the Account. Customers may obtain information on the daily exchange rates via CitiPhone Banking or in the Bank Branches, or may even inspect such rates on the Bank's home page at any time.
- 1.4.2.6. Verification and accounting of Orders executed with Citicards
- The Bank shall register all Orders executed with the Citicard and shall confirm them towards the Account Holder in the Account Statement relating to the given month. The performance of an Order is certified with electronic data, while in the case of any Order placed electronically the Cardholder - subject to the Customer's request or to the adjustment of the Merchant/ATM - shall receive a receipt issued by the Merchant/ATM of every Order, which shall confirm the Order. The value date of the order is the day on which the Customer executes the particular Order, while the accounting day is the day on which the Bank processes the data of the document certifying the Order, or the electronic data associated with it. The value date of the Order and the accounting date may be different. In the case of an ATM cash withdrawal transaction the accounting date is identical with the Order date on banking days, while the accounting date of an Order not placed on a banking days is

the first banking days following the Order. For purchases made with CirrusMaestro Bank Card the procedures are the same as for the AT cash withdrawal transactions. For any purchase involving a MasterCard the Bank blocks the amount of the purchase on the account on the purchase date (if the currency of the account and the currency of the purchase executed with the MasterCard attached to it are different, the block is made at the exchange rate effective on the purchase date, and then books it on the date of settlement between the Card Company and CitiBank. If the currency account and the transaction is different, then the purchase transaction is booked at the exchange rate prevailing on the booking date. The Cardholder hereby accepts that the data registered by the Bank in connection with the Order shall constitute sufficient evidence for the Bank to debit the Account with the amount of the Order.

- (b) The Account shall be debited on the basis of the data sent by the Merchant's bank to the Bank, and the Bank shall therefore be entitled to debit the Account even if no certificate was issued of the Order or if it is not in the Cardholder's possession but, according to the data sent by the Merchant's bank, the Cardholder executed an Order.
- (c) The Cardholder shall notify the Bank if there is any discrepancy between the data of the receipt received and the Account Statement or if the data stated in the Account Statement in connection with the Order do not correspond to the truth.

#### 1.4.2.7. Rules of liability

- (a) Liability for defective devices
  - (i) The Bank shall not be liable for any losses incurred by the Cardholder in connection with any defect occurring subsequent to issuance of the Citicard to the Cardholder.
  - (ii) The Bank shall not be liable for any losses incurred by the Cardholder in connection with the refusal of Orders by Merchants.
  - (iii) The Bank shall not be liable in any way for losses or damage of any nature sustained by the Cardholder in connection with any defect in any ATM, other equipment, communication system or device, data processing system or transmission error or any defect occurring for any other similar reason if such defect did not occur through the Bank's fault and the Bank proceeded with due care as expected in general, regardless of whether such an event occurred within or beyond the Bank's control.

- (b) Liability in connection with authority
 

Except in the case of its wilful and grossly negligent conduct, the Bank shall not be liable for the execution of Orders where the Cardholder is not identified with a PIN code and the signature provided as certification of the Order is so similar to the Cardholder's specimen signature provided for the Bank that the difference between the signatures cannot be established even with the degree of due care that may be expected to be exercised in such cases.

- (c) Liability for exceeding the Limit
 

The Bank shall not be liable for the exceeding of the overdraft facility and the Limit if, based on the procedural rules of the Card Company, the Order is not checked and approved by the Bank prior to its execution but by the Merchant involved or the Card Company, and it is by virtue of this sole circumstance that one or several Orders exceeded the Limit or the overdraft facility.

- (d) Liability in connection with use of the Internet
 

Cardholders may use the Internet at their sole discretion, and in the course of Orders given via the Internet, unauthorized third parties may, for reasons falling beyond the Bank's control, gain access to the Cardholder's card number and / or any other card fraud may be committed on the Internet which may be injurious for the Cardholder. As a result of such fraud, the Cardholder may even sustain financial losses. The Bank shall therefore not be liable for any type of losses that the Cardholder may sustain in connection with using the Internet.

- (e) Liability of Account Holder(s)
 

The Account Holder shall owe unlimited as well as joint and several liability for the Orders of the Authorised Person and for the payment of the Bank Charges related thereto, however, the Bank shall also be entitled to enforce its claims against the Authorised Person individually. The Authorised Person shall indemnify the Bank, together with the Account Holder, against all losses, damage, costs and expenses which may arise due to the activities or omissions of the Authorised Person.

- (f) Rules of liability related to Merchants
  - (i) The Merchant is not the Bank's agent and does not proceed in the Bank's interest. The Bank shall not be liable for any losses sustained or incurred by the Cardholder by virtue of the fact that a person or organization authorized thereto under the rules of the Card Company commits an error or omission in the course of the acceptance of the Citicard or does not authorize a given Order or refuses to accept the Citicard or the PIN code.

- (ii) The Bank shall not be a party to any legal dispute that may arise between the Cardholder and the Merchant, and shall be entitled to supply the required information and data pursuant to the legal rules relating to bank secrets, the provisions of the Agreement and the Cardholder's written declaration to that effect, however, at the Cardholder's request, the Bank shall investigate all relevant issues arising from use of the given Citicard and shall provide all reasonable assistance for the Cardholder for the satisfactory settlement of the dispute.

- (iii) In the event of any dispute which may arise between the Cardholder and the Merchant, such dispute, counter-claim or right of offset that the Cardholder may resort to, enforce or exercise against the Merchant shall not affect the liability of the Cardholder towards the Bank in any way.

- (iv) The Bank shall not take responsibility for events caused by the fact that any merchant or country limits or does not accept (sanctions) the Citicard issued by the particular card company or the particular order is not performed as a result of such conditions of the provisions of an international agreement (sanction) due to any reason outside the bank's control.

#### 1.4.3. The CitiPhone Banking telephone customer service

1.4.3.1. With the aid of the CitiPhone Banking service, the Customer may execute certain Orders by telephone, may request certain Services by telephone and may receive answers and legal remedy to and in connection with his/her questions related to the Services 24 hours a day, every day of the week.

1.4.3.2. Prior to the use of the CitiPhone banking service and any specific order, the Bank shall identify his Customer. Identification takes place based on 2 randomly selected numbers or all numbers of the T-PIN assigned to the card number, or with some other way suitable for the appropriate identification of the Customer. The Bank defines the identification method applied for the individual transaction types taking also into account the provisions of Section 1.3.3.3.

1.4.3.3. The Customer hereby agrees that all CitiPhone Banking telephone conversations shall be recorded and the Bank may use the sound recordings as evidence in any official proceedings, pursuant to the rules of law.

1.4.3.4. The Customer hereby accepts that the data recorded by the Bank in connection with any CitiPhone Banking Order shall constitute sufficient evidence of the use of the given Service or submission of the Order and in respect of its actual

contents (conditions), and shall prove, where applicable, the due prior verification of the Citicard number and the T-PIN code.

1.4.3.5. The Bank shall provide the following Orders and Services in particular via CitiPhone Banking:

- a) Account information (Cover, balance, specific Orders, contents of latest or penultimate Account Statement, etc.) and requests for bank certificates,
- b) opening of new account within the boundaries of the Agreement and closing of existing Account,
- c) placement of transfer orders,
- d) reporting of changes in data supplied by the Cardholder to the Bank in connection with the Agreement unless written records are required by law or by the Agreement,
- e) re-issuance of Account Statements,
- f) deposit tie-up, tie-up modification, termination of tie-up (in compliance with the provisions specified in the Pricing Schedule),
- g) blocking of Citicards and the PIN codes, application for new Citicards, activation of Citicards,
- h) application for and suspension and termination of the Citibank SMS Alerting Service,
- i) application for and activation of the Citibank Online Service subject to the occurrence of the suspensive condition that, based on the relevant legal rule, electronic payment devices may no longer be issued solely on the basis of the Customer's express written application therefor,
- j) announcement of complaints related to the Services,
- k) detailed and comprehensive information on the Services and Orders,
- l) submission, modification and cancellation of standing transfer Orders and authorization to batch collection Orders,
- m) application for overdraft facility and deposit credit,
- n) designation as an Authorized Person of a person already registered as a Customer in connection with another Service or in respect of the Account Holder's other Accounts, and cancellation of the Authorization,
- o) application for emergency cash abroad, in Bank Branches only, if Cover is available,
- p) certain information connected with investment products.
- q) Application for a Travel Package containing also a travel insurance
- r) Request for insurance products mediated by the Bank as an insurance mediator, to the extent it is possible under the specific insurance conditions
- s) Request and deletion of an electronic account statement
- t) Registration for the activation of a 'New Beneficiary with an SMS' service

1.4.3.6. The Bank may also make other Orders and Services possible as part of its CitiPhone Banking Service in the future and shall inform the Customer of the terms and conditions of such Orders/Services in the appropriate form and manner.

1.4.3.7. The Bank shall be entitled to withdraw the availability of certain Orders or Services by way of its CitiPhone Banking Service if there is an unfavourable change in the risks of the given Order or Service or in the provisions of the legal rule relating to the given Service or Order or if so required by the Bank's business policy interests.

1.4.3.8. Verification of CitiPhone Banking Orders
 

The Bank shall register all Orders executed as part of its CitiPhone Banking Service and shall confirm them towards the Account Holder in the Account Statement relating to the given month. In addition, the Bank shall record all CitiPhone Banking telephone conversations. The Cardholder hereby accepts that the data registered by the Bank in connection with the Order shall constitute sufficient evidence for the Bank to debit the Account with the amount of the Order or to process the Service request. The Account Holder shall inform the Bank if, based on the information at his/her disposal, there is a discrepancy between the data of the Order (Service request) given by him/her and the data stated in the Account Statement or if the data stated in the Account Statement in connection with the Order do not correspond to the truth for any other reason.

#### 1.4.4. Citibank Online Internet Banking

1.4.4.1. Technical support needed for the use of Citibank Online

- (a) Citibank Online may be used when the following hardware and software are available:
  - (1) personal computer with keyboard, mouse and operational system;
  - (2) Internet connection; and
  - (3) Internet browser enabling use of Citibank Online and supporting a 128-bit encryption system (e.g. Netscape Navigator 4.06 or a more recent version or Microsoft Explorer 4.0 or a more recent version)
- (b) To be able to use Citibank Online, the Cardholder shall provide for the existence of the above conditions. The Bank Charges incurred in connection with the use of Citibank Online shall be paid by the Cardholder.
- (c) The Cardholder shall use a 128-bit encryption Internet browser for the use of Citibank Online in Hungary. Use of a web browser supporting a 128-bit encryption system may be illegal pursuant to the laws of certain countries outside Hungary. The Bank shall not be liable if the Cardholder uses the Citibank Online service in a country where the 128-bit encryption system is not permitted, and the Bank shall not be liable if the Cardholder is therefore unable to use the Citibank Online service in these countries.

1.4.4.2. Services accessible via Citibank Online

- (a) Citibank Online enables the Cardholder to access the Accounts and other Services, and to submit Orders in respect of which the Cardholder is duly authorized under the terms of the Agreement.
- (b) The Cardholder may obtain information on the following in particular with the aid of Citibank Online:
  - (i) Account information, balance inquiry, electronic account statement, information on Orders, all of which may be downloaded to the Cardholder's computer;
  - (ii) In case of tied-up Deposits: information on amount of principal of Tied-Up Deposit, rate of interest, interest-related instructions, term of tie-up, next maturity date;
  - (iii) Information on the foreign currency and foreign exchange rates offered by the Bank to the Cardholder, prevailing rates of interest on tied-up deposits;
  - (iv) If the Cardholder has a credit card issued by the Bank, information on amount of credit line available with the Credit Card, amounts drawn and available, minimum amount repayable and due date of repayment;

Further Orders that may be issued through the Citibank Online, in form of customer service message:
 

- a Fee package modification,
- b E-mail address modification,
- c Announcing/cancelling large amount cash withdrawal (in compliance with the Pricing Schedule),
- d Terminating the alerting service,
- e Requiring bank certificate,
- f Request for Account Statement.

It is, furthermore, possible via Citibank Online that the Customer obtains information on the following data related to the investment units recorded on its investment account kept by the Bank: quantity (piece number),

up-to-date price (if designated in foreign currency) and total value of investment units in Hungarian Forints.

As of a later date in the future, the Cardholder may also receive information with the aid of Citibank Online on certain investment services rendered by the Bank. The Bank shall inform the Account Holder of such later date in the future as and when it occurs, in the appropriate form and manner.

- (c) The Cardholder may request the execution of the following types of Orders and other transactions via Citibank Online:
- (i) book-entry transfer Order between Accounts kept with the Bank;
  - (ii) transfer to accounts kept with other banks in Hungary or abroad;
  - (iii) submission/modification/cancellation of standing transfer Orders in HUF;
  - (iv) placement and tie-up of deposits, modification/cancellation/run out of tied-up deposits;
  - (v) alteration of the Citibank Online Code;
  - (vi) addition, review and deletion of the list of beneficiaries, activation of beneficiaries
  - (vii) Exchange rate information;
  - (viii) Surveying Customer data, for example limits, transaction titles;
  - (ix) Maintaining contact with the Customer Service - sending receiving customer service messages.
- (d) If the Cardholder has a credit card or Diners Club card issued by the Bank and Citibank also keeps a current account for him/her, book-entry transfer Order between these accounts and alteration of the Citibank Online Code.
- (e) Cardholders (including Cardholders that have credit cards issued by the Bank) may request the Citibank SMS Alerting Service via CitiBank Online.
- (f) Other conditions
- (i) It is not possible to cancel or to modify Orders given for the subject-day value date via Citibank Online. The Bank shall confirm via Citibank Online the registration of an Order given via Citibank Online, however, it shall send no notification of the execution of the Order via Citibank Online.
  - (ii) The Bank may send notices and messages to the Cardholder via Citibank Online. The Cardholder hereby expressly accepts that by using the appropriate modules, text windows and other similar tools of Citibank Online (e.g.: click acceptance, e-mail), the Parties may validly notify each other in connection with the Agreement, provided that, prior to such communication, the Bank is able to identify the Customer on the basis of his/her Citibank Online Code in the manner set forth in the Agreement.
  - (iii) The Bank may also offer other types of Orders and Services as part of its Citibank Online Service and shall inform the Cardholder of the terms and conditions of such Orders/Services in the appropriate form and manner.
  - (iv) The Bank shall be entitled to withdraw the availability of certain Orders or Services by way of Citibank Online if not permitted by the risks of the given Order or Service or by the provisions of the legal rule relating to the given Service or Order.

#### 1.4.4.3. Application, activation

The Cardholder may initiate use of the Citibank Online service by duly completing and signing the account opening form or the Citibank Online agreement. The Bank shall activate the Citibank Online service and shall make the Citibank Online service available on the business day following the acceptance of the application, at the latest.

#### 1.4.4.4. Orders and queries with the Citibank Online Service

- (a) The Citibank Online Service may only be used after due customer identification based on Citibank Online Code, provided that the Bank will be authorised to impose further safety conditions - in the Customer's interest - for accessing the Citibank Online or for the actual use of the single functions. The Bank shall give proper information to Cardholders on such further safety requirements. The Bank shall execute any Orders submitted by the Customer via Citibank Online pursuant to the general rules. In the course of the execution of Orders, the Bank shall not be obliged (but shall be entitled if deemed necessary) to request the Cardholder to confirm the contents of such Orders by telephone. In the event when the Bank - for reasons impossible to the Cardholder - is unable to require confirmation in connection with the Order, the Bank reserves the right to refuse execution of the Order received through Citibank Online. The Bank shall not be liable for any damages deriving therefrom.
- (b) The Cardholder hereby agrees (inter alia, for the protection of his/her own interests) that the Bank shall record the details of any Citibank Online connection and may use such recordings as evidence according to the provisions of the rules of law.
- (c) The Bank shall not be liable for any faults in the Internet connection. The Bank shall not be held liable if the Bank is unable to render the service or receives any data erroneously, incompletely or belatedly due to a fault in the telecommunication lines or through the fault of the company or person providing the Internet service, or due to any software error, or for any other reason falling beyond the Bank's control, and the Cardholder is therefore unable to use the services of the Bank.
- (d) The Bank shall be entitled to alter, suspend or terminate the Citibank Online Service or the Cardholder's right to use the Citibank Online Service for security and maintenance reasons at any time and without prior notification or stating its reasons. The Bank shall duly inform the Cardholder of any of the foregoing. The Bank shall not be liable for any damage or losses sustained by the Cardholder due to the alteration, suspension or termination in question.

#### 1.4.4.5. Verification of Citibank Online Orders

The Bank shall register all Orders executed via use of the Citibank Online Service and shall confirm them towards the Account Holder in the Account Statement -, or an electronic account statement for Account Holder registered for the electronic account statement service attached to the bank account - relating to the given month. In addition, the Bank shall log and register all Citibank Online connections. The Cardholder hereby accepts that the data registered by the Bank in connection with the Order shall constitute sufficient evidence for the Bank to debit the Account with the amount of the Order or to process the Service request. The Cardholder and the Account Holder shall notify the Bank if, based on the information at their disposal, there is a discrepancy between the data of their Order/Service request and the data stated in the Account Statement - the electronic account statement in the case of Account Holders registered for the electronic account statement service attached to the bank account -, or if the data stated in the Account Statement/electronic account statement do not correspond to the truth for any other reason.

#### 1.4.4.6. Termination of the Citibank Online service

- (a) If the Cardholder detects or suspects that any unauthorized third parties may have gained access to his/her details in the course of the Citibank Online service or an unauthorized transaction was carried out in connection with his/her Account via Citibank Online, he/she shall inform the Bank in the manner specified for the blocking of Citicards. Upon communication of the report, the Bank shall immediately block the Citicard and the Citibank Online Code and shall terminate the Citibank Online service.
- (b) If the Citicard expires or is blocked, the Citibank Online service cannot be used until the activation of the new Citicard.
- (c) The Cardholder may request the termination of the Citibank Online service at any time, in writing or by telephone via CitiPhone, by which he/she waives

use of this service. The Cardholder's access to Citibank Online shall be terminated on the business day following the required setting in the Bank's system, at the latest.

### 1.4.5. Blocking of the Citicard and the PIN codes

- 1.4.5.1. The Cardholder shall take every reasonable precaution to prevent the loss or theft of the Citicard, and hereby agrees not to disclose his/her PIN codes to third parties.
- 1.4.5.2. In the event of the loss, theft or transfer to the possession of an unauthorized third party of the Citicard or the PIN codes (hereinafter referred to as "loss"), or if the Cardholder detects any unauthorized Order in the Account Statement, the Cardholder shall inform the Bank thereof without delay via CitiPhone Banking. The Cardholder shall also notify the Bank without delay if the Citicard has been removed from his/her possession.
- 1.4.5.3. Simultaneously with his/her notification, if possible in view of the reason for blocking, the Cardholder shall destroy the Citicard stated in his/her notification. All losses arising from failure to proceed as stated above shall lie with the Cardholder. If, by virtue of a reasonable assessment of the facts of the case, a crime may have been committed in respect of the Citicard / PIN codes, the Cardholder shall, without delay, inform on this suspicion the authorities competent to investigate criminal acts.
- 1.4.5.4. The Bank shall immediately block the Citicard / PIN codes at the time the loss is notified to the Bank. Following the time of such notification - that may also be a verbal communication - the Cardholder shall not be liable for any Orders executed with the Citicard / PIN codes, unless it is proven subsequently that the Citicard or the PIN codes has/have been transferred to the possession of a third party as a consequence of the Cardholder's own wilful conduct/severe negligence.
- 1.4.5.5. Following the verbal communication, the Bank shall make every reasonable effort to replace the lost Citicard and to mail it to the address specified by the Cardholder (not to be modified at the time or after the blocking).
- 1.4.5.6. A Citicard found subsequent to blocking may not be used; the Citicard shall be destroyed and the Bank shall be informed thereof.
- 1.4.5.7. The Bank shall be entitled to block the Citicard for security reasons, if there is a material change in the risks ensuing from the Agreement or the credit line is exceeded, in the event of the well-founded suspicion of card fraud, irregular use of the card, a breach of agreement on the Cardholder's part or the termination of the Agreement, or if it appears to be necessary in the interest of protecting the Cardholder from sustaining losses. At the date of the termination of the Authorised Person's authority, the Bank shall block the Authorised Person's Citicard pursuant to the Account Holder's instruction. If the Authorised Person's authority to represent the Account Holder ceases or becomes limited by virtue of a rule of law, the Bank shall block the Cardholder's Citicard. The Bank shall inform the Account Holder thereof in writing.
- 1.4.5.8. The Bank shall not be liable for any losses caused to third parties as a consequence of blocking. Blocking shall be final and irrevocable, and the Citicard / PIN codes cannot be used after notification. The Citicard may only be replaced via the issuance of a new Citicard. The Bank shall not be liable for any losses sustained by the Cardholder in connection with his/her failure to have the card blocked or any fraud related to blocking. Any costs incurred by the Cardholder in connection with blocking shall lie with the Cardholder. The Bank shall be entitled to charge the Cardholder for the costs of any international correspondence and the mailing of parcels or registered value consignments in connection with blocking.
- 1.4.5.9. The Bank shall not be liable for any losses that may arise from the unauthorized use of the Citicard / PIN codes prior to the blocking of the Citicard / PIN codes. If the Cardholder proceeds in compliance with the terms of the present Agreement and with due care, in the event of the loss or theft of the Citicard / PIN codes, the Bank shall indemnify the Cardholder against all verified losses caused through the unauthorized use of the Citicard / PIN codes after blocking. If the losses were not sustained through the Cardholder's wilful or negligent conduct, the Cardholder shall pay maximum forty-five thousand forints of the losses caused prior to the announcement of the request for blocking, while the Bank shall cover any losses that may arise subsequent to blocking.
- 1.4.5.10. At the Customer's request, the Bank shall issue a certificate of the time of the submission of the request for blocking and of the contents of the report.

### 1.4.6. Citibank SMS Alerting Service

- 1.4.6.1. Rights and obligations of the Parties
- (a) Subject to the actual terms and conditions determined by the Bank at any given time, Cardholders holding Citicards, credit cards issued by the Bank may determine in the Application Form or via CitiPhone Banking or Citibank Online the conditions under which they wish to use the Citibank SMS Alerting Service and the mobile telephone number and/or e-mail address at which they wish to receive messages, with the proviso that one mobile telephone number and one e-mail address may be stated per application. The Bank shall inform its Customers of the range of Cardholders that may use the Citibank SMS Alerting Service in the appropriate form and with the appropriate contents.
- (b) Account Holders and Authorised Persons holding Citicards may request the Service under the same conditions, independently of one another, with the proviso that all the Cardholders may receive messages in respect of Orders concerning the Account, while only the given Cardholder may receive messages in respect of any Orders executed with the given Citicard, provided that this service was requested. On Orders issued by the Authorised Person with the Citicard, also the Account Holders will receive message. Account Holders and Authorised Person holding credit cards issued by the Bank may request the Service independently of one another, with the proviso that in the latter case the Account Holder shall receive messages about the Orders executed with his/her own credit card and with the credit cards of any Authorised Persons, while the Authorised Person shall only receive messages about the Orders executed with his/her own credit card.
- (c) The Bank shall send messages in Hungarian or English to the mobile telephone number and/or e-mail address stated, under the conditions specified by the Cardholder. The SMS messages sent by the Bank shall not state the sender's telephone number in each case.
- (d) With regard to the provisions of Section 1.4.2.6 the contents of the notification message sent by the Bank about a specific Purchase transaction on the Purchase and accounting days and the amount booked may be different as a result of the exchange rate changes during the period between the Purchase and the accounting day.
- (e) The Cardholder shall not be able to send messages to the Bank within the framework of the Citibank SMS Service, or to respond to any messages sent by the Bank in this method.
- (f) The Bank reserves the right to suspend the Service without prior notification if necessary for maintenance or security reasons.
- (g) The Cardholder shall ascertain prior to requesting the Service whether his/her mobile telephone or personal computer is suitable for receiving such messages.
- (h) The Cardholder shall make every effort to prevent unauthorized persons from gaining access to his mobile telephone and/or personal computer.

- (i) The Cardholder shall inform the Bank in writing, via CitiPhone Banking or Citibank Online if his/her mobile telephone number or e-mail address changes, in such a way that the written notice shall be received by the Bank before such a change actually occurs. Until due notification, the Bank shall send any messages to the former mobile telephone number or e-mail address. The Bank shall not be liable for any losses arising therefrom.
- 1.4.6.2. **Liability**
- (a) If the mobile telephone or personal computer is not suitable for receiving messages, the Bank shall not be liable for any losses arising therefrom.
- (b) The Bank shall not be liable for the correctness, authenticity or inaccessibility of the messages. These messages shall only serve information purposes and shall not qualify as invoices or Account Statements.
- (c) The Bank shall not be liable for the correctness of any data supplied by the Cardholder or third parties and the Bank shall not be obliged to verify the correctness of such data. The Bank shall not investigate the entitled user of the mobile telephone number or e-mail address stated; disposal of any messages sent pursuant to the instructions of the Cardholder shall be the Cardholder's responsibility.
- (d) No liability of any kind shall lie with the Bank for losses of any nature sustained by the Cardholder in connection with the Service, with special regard to the following:
- (i) if the losses arise from the fact that the Cardholder does not satisfy or belatedly satisfies any of his/her obligations prescribed in the Agreement;
- (ii) if the communication lines break down or a problem arose within the control of the telecommunication service providers, as a result of which the data are not received or are received erroneously, incompletely or belatedly at the mobile telephone number or e-mail address;
- (iii) if the Cardholder suffers any detriment in connection with the Service for reasons falling beyond the control/competence of the Bank;
- (iv) if any losses arise in connection with the mobile telephone or personal computer (in particular but not limited to losses arising from the removal thereof from the Cardholder's possession or the fraudulent use, cancellation, inoperation or defective operation thereof).
- (e) The Bank shall accept no liability under any circumstances for any losses sustained by the Cardholder, whether directly or indirectly, in connection with the application of the Service, or for any loss of profits arising therefrom.
- (f) The Bank's liability shall extend from the initiation of the message from the Bank to the forwarding of the message to the message centre of the mobile telephone or Internet service provider. All risks arising from the transmission of messages shall lie with the Cardholder.
- 1.4.6.3. **Fees**
- (a) For the Service, the Bank shall charge the monthly fee stated in the Bank's Pricing Schedule, as in force.
- (b) The Bank shall charge the full monthly fee of the Service even if the Cardholder only used the Service during a part of the given month for any reason.
- (c) The Bank shall charge the actual service fee separately in respect of each Cardholder using the Service, in compliance with the provisions of the Pricing Schedule.
- 1.4.6.4. **Messages initiated by the Bank**
- (a) If the Cardholder subscribes to the Service, in addition to the types of messages selected by him/her, he/she shall also automatically receive the messages initiated by the Bank.
- (b) From among the messages initiated by the Bank, the Cardholder shall be unable to suspend or to cancel the fixed range of messages closely related to the given Service, in particular, expiry of card and payment deadline, or shall only be able to do so through the suspension or cancellation of the entire Citibank SMS Alerting Service itself.
- (c) From among the messages initiated by the Bank, the Cardholder may request the cancellation of messages serving advertising and promotional purposes via any of the channels available for requesting the Service.
- 1.4.6.5. **Suspension of Service by the Cardholder**
- (a) The Cardholder shall be entitled to suspend use of the Service at any time during the term of its use via the Citibank Online Service.
- (b) Upon suspension initiated by the Cardholder, the Service shall be suspended during the period extending from the registration of suspension to the registration in the Bank's own systems of its re-activation by the Cardholder.
- (c) The Bank shall charge the full monthly flat-rate fee of the Service for the full term of such suspension under unchanged terms and conditions.
- 1.4.6.6. **Cancellation of Service**
- (a) The Cardholder shall be entitled to request the cancellation of the Service at any time, in writing or via CitiPhone Banking. The Bank shall terminate the Service within two Business Days of the Cardholder's request.
- (b) The Bank shall be entitled to terminate the Service at any time, at 15 days' notice.
- (c) Cancellation of the Service shall not result in the blocking, cancellation or termination of the mobile telephone number or e-mail address with the given service provider.

## 1.5. ACCOUNT STATEMENT AND OTHER CERTIFICATES

- 1.5.1. Unless agreed otherwise, the Bank shall send Account Statements of the Accounts - electronic account statements in the case of Account Holders registered for the electronic account statement service attached to the bank account -, including any Tied-Up Deposits, monthly in respect of all the Services and Orders used by the Customer and offered by the Bank, to the address specified by the Account Holder. The Bank shall send the Account Statement relating to the Accounts, Deposits and any other Services to the Account Holder in a single envelope. The Bank shall send the Account Statements of any jointly held Accounts to the so-called primary Account Holder designated by the Account Holders. Unless expressly stipulated otherwise by the Bank, the data and information accessible to the Customer via CitiPhone Banking, Citibank Online or the Citibank SMS Alerting Service shall only serve information purposes and shall not qualify as Account Statements or invoices.
- 1.5.2. The Bank shall, pursuant to the provisions of the Electronic Account Statement Regulation, also enable the electronic forwarding of Account Statements to the Account Holder. By accepting the regulation on the Electronic Account Statement (e-statement service) the Customer expressly requests the Bank to provide account statements issued for retail bank accounts or current accounts kept by the Bank, and earlier prepared on paper and sent out by post, in the form of an electronic Account Statement within the framework of the Citibank Online Service and, simultaneously, to withhold the hardcopy of the Account Statement without sending it out by post. A pre-requisite of this service is the use of the Citibank Online Service. The format and contents of the e-statement are identical with those of the hardcopy of the Account Statement for the period indicated in the particular e-statement with the only exception that the e-account statement does not constitute an accounting document under the effective accounting regulations. Upon the Customer's request the Bank provides the hard copy of the Bank Account Statement in exchange for a specific

- 1.5.3. fee defined in the Interests and Charges. The detailed rules of the e-statement service are contained in the Electronic Account Statement Regulation. If there was no credit or debit on the Account during the given settlement period, the Bank shall be entitled to send an Account Statement in the next settlement period during which there were credits or debits on the Account. The Bank shall, however, send an Account Statement once annually under any circumstances.
- 1.5.4. The Customer shall recognize the probative force of the Account Statements issued by the Bank - the electronic account statement for Account Holders registered for the electronic account statement service attached to the bank account - and any other information sent to him/her on a case-to-case basis in connection with the Orders/Services.
- 1.5.5. The Account Holder shall, without delay, notify the Bank via CitiPhone Banking if he/she does not receive the Account Statement - the electronic account statement for Account Holders registered for the electronic account statement service attached to the bank account - by the usual date. In the absence of such notification, the Bank shall regard the Account Statement as duly delivered.
- 1.5.6. The Customer may lodge a written complaint against the contents of the Account Statement - the electronic account statement for Account Holders registered for the electronic account statement service attached to the bank account - within 15 calendar days of the mailing thereof. If the Customer lodges no written complaint against the Account Statement - the electronic account statement for Account Holders registered for the electronic account statement service attached to the bank account - within 15 calendar days, the Account Statement - the electronic account statement for Account Holders registered for the electronic account statement service attached to the bank account - shall be regarded as accepted by the Customer. This shall not preclude the exercise of any other claim enforcement rights the Customer may have.

## 1.6. BANK CHARGES, INTEREST, LATE PAYMENT, THE BANK'S RIGHT OF OFFSET, INDIVIDUAL TERMS AND CONDITIONS

### 1.6.1. Interest paid

The Bank shall pay the rates of interest stated in the Pricing Schedule, as in force, on the daily positive balance of the Account. Depending on the type of the Account, the Bank shall credit the interest onto the Account as specified in the Pricing Schedule. The formula of interest calculation and the standard deposit interest rate index (EBKM) are stated in the Pricing Schedule.

### 1.6.2. Bank charges

- 1.6.2.1. The Bank shall publish the full list of Bank Charges, maturity dates and payment terms determined in connection with Account keeping, Orders, the facilities available for the submission of Orders and the provision of Services in the Pricing Schedule, as in force.
- 1.6.2.2. If the Account Holder has several accounts (including Accounts where, in the case of joint Account Holders, the Customer is the primary Account Holder), the Bank shall debit a single Account specified by the Account Holder with the charges of all the Accounts.
- 1.6.2.3. The Bank shall determine in the Pricing Schedule the account balance in the case of the existence of which during the month concerned the Bank may grant different discounts for the month concerned and for the subsequent month. The Bank shall define the calculation method of this balance in the Pricing Schedule.

### 1.6.3. Late payment by the Customer

The Customer falls into arrears if he/she fails to meet any due payment obligation towards the Bank at the due date. In this case, the Bank may charge the rate of default interest stated in the Pricing Schedule, as in force, with regard to the amount in arrears and the term of the delay. In the event of late payment, the Bank may also charge the Customer for any costs incurred in connection with such late payment and the collection of the amount in arrears.

### 1.6.4. The Bank's right of offset, rules of offset

- 1.6.4.1. The Bank may debit any of the Customer's Accounts kept with the Bank or any other receivables of the Customer from the Bank with its due receivables, without or in spite of the Customer's instruction. The Bank may also exercise this right in respect of the Customer's receivables from the Bank arising from any investment or supplementary investment services provided by the Bank for the Customer.
- 1.6.4.2. The Bank may exercise its right of off-set regardless of the fact that the currencies of the offset claims may be different. If the Customer fails to meet any of his/her due payment obligations towards the Bank and there is no sufficient Cover for meeting the obligation on his/her Account kept in the same currency, the Bank shall be entitled to offset its due and unpaid receivables to the debit of the Customer's Account kept in another currency. The Bank shall convert the amount of foreign exchange into the currency of the receivables at its own foreign exchange buy rate quoted on the given day.
- 1.6.4.3. If the Customer fails to meet any of his/her due payment obligations and there is no sufficient Cover on his/her Account kept with the Bank, the Bank shall be entitled to terminate the Customer's Tied-Up Deposit Agreement by extraordinary notice and to offset its receivables against the amount of the deposit thereafter. The Bank shall accept no liability for any losses arising therefrom.

### 1.6.5. Possibility of individual terms and conditions

The Bank reserves the right to provide its Services, on a permanent or temporary basis, under terms and conditions other than the general terms and conditions applicable to the Agreement (regarding, in particular, terms, interest and charges paid) in the case of certain Customers or Services. The Bank shall have the exclusive right to determine and modify such different terms and conditions. The Customer may not demand that the Bank provide any given Service for him/her under terms and conditions deviating from the general terms and conditions or that the Bank reimburse the difference between Services rendered under the general terms and conditions and Services rendered under any preferential terms and conditions.

## 1.7. COLLATERAL

- 1.7.1. The Bank shall be entitled to request the Customer at any time during the term of validity of the Agreement to provide collateral or to supplement the existing collateral to the degree necessary for securing all the receivables of the Bank from the Customer, even if such receivables are tied to a condition or are future receivables or have not yet fallen due. The Customer shall, without delay, meet the Bank's request and shall supplement the collateral provided.
- 1.7.2. The Bank may require simultaneously several types of collaterals, each of them - in lack of a contractual provision to the contrary - shall serve as coverage for the Bank's entire claim. Failure of the Customer to comply with the Bank's request to provide collateral will be considered as material contractual breach. The Bank will be authorised to suspend the Service concerned until the Customer provides collateral or supplements the collateral granted as required by the Bank.
- 1.7.3. All assets, proprietary value and rights tied up as security for the Bank shall serve to secure all the existing receivables of the Bank from the Customer, unless the use of such collateral for other purposes was expressly stipulated.
- 1.7.4. In the interest of the settlement of its receivables within the shortest possible time, the Bank shall be entitled to draw on any of the assets tied up by the

Customer as security collateral for the Bank, even if other cover or collateral is also available.

- 1.7.5. The type and extent of the collateral will be defined by the Bank within the framework established by the prevailing legal regulations, in knowledge of the Customer's economy and based on the risks connected with the Service concerned.
- 1.7.6. The Bank will establish the security value of the collateral offered by the Customer in consideration with the prevailing legal provisions, according to the rules of evaluation of collaterals prepared and applied by the Bank, independently, at its own discretion.
- 1.7.7. The Customer shall care for the maintenance and conservation of value of all assets, rights or receivables, serving as collateral for the Bank. Furthermore, the Customer will have to grant enforceability of the claims and their fulfilment at maturity to the Bank's benefit. The Customer is entitled and obliged to use, manage operate in a proper manner and care for the conservation of, the assets tied up to the benefit of the Bank. Would the Customer fail to comply with the above obligations and thus endanger the collateral securities' subsistence, value or enforceability, the Bank – or a person authorised by the Bank – will be entitled to institute the necessary official or Court proceedings.
- 1.7.8. The Customer is bound to inform the Bank immediately on any changes occurred or predictably or expectably occurring in the collateral securities' value, marketability and enforceability. The Bank or its representative may check the existence of the collateral – even on site – and the compliance of the Customer with his/her obligations at any time. During such control, the Customer has to co-operate with the Bank, supplying any information required and making all documents available for inspection.
- 1.7.9. Unless agreed otherwise, all expenses and costs related to the provision of collateral, including the costs of committing the required documents to notarial deeds, as well as to the maintenance, management and enforcement of collateral shall lie with the Customer.

## **1.8. UNILATERAL AMENDMENT OF AGREEMENT BY THE BANK**

- 1.8.1. The Bank expressly reserves the right to unilaterally amend the present General Business Conditions, the Pricing Schedule and the general terms and conditions relating to the given Service (if any), to introduce new fee(s) unilaterally, if
- it introduces a new Service or Order, the terms and conditions of which deviate from the General Business Conditions, as in force; and/or
  - it terminates its existing Services for reasons of business policy or any other reasons, or fundamentally modifies the nature of such Services; and/or
  - the legal rules applicable to its Services are modified or a new legal rule concerning the operation of credit institutions takes effect; and/or
  - the Bank deems this necessary for any other reason, such as changes in the rate of inflation calculated by the Hungarian Central Statistical Office (HCSO) or other fund raising opportunities on the money market, operational expenses and legal regulations.
- 1.8.2. The Bank shall decide at its sole discretion on the alteration of the Bank Charges, the interest paid and all other terms and conditions stated in the Pricing Schedule on the basis of any changes in the conditions relating to the Agreement on the domestic retail money market, in the Bank's refinancing conditions, BUBOR, LIBOR, EURIBOR, inter-bank rates, etc. in legal rules, in the measures of the National Bank of Hungary, in the consumer price index or in the risks associated with the agreement and the Customer.
- 1.8.3. The emergence of the conditions giving rise to the Bank's right of unilateral Agreement amendment shall not in itself mean (i) that the Bank will actually exercise this right, or that (ii) it will exercise this right in line with and in the direction and to the extent required by such conditions.
- 1.8.4. If the Bank's unilateral agreement amendment is disadvantageous for the Customers in respect of the given Agreement, the Bank shall notify its Customers of the agreement amendment (i) in general cases, 15 days prior to the coming into force of the amendment, in the form of an announcement posted in the Bank Branches and on the Bank's website ([www.citibank.hu](http://www.citibank.hu)) electronically, (ii) in the case of electronic payment devices, 30 days prior to the coming into force of the amendment directly and on the Bank's website ([www.citibank.hu](http://www.citibank.hu)) electronically.
- 1.8.5. If the Customer does not object to the amendment in writing by the date of its coming into force, the amendment shall be regarded as accepted by the Customer. Continued possession or use of the Citicard or the use of any other banking Service following the day of the coming into force of the Bank's unilateral amendment shall be regarded as the acceptance of such amendment by the Cardholder.
- 1.8.6. If the Bank receives the Customer's written objection to the agreement amendment by the day preceding the coming into force of the agreement amendment, at the latest, the Bank shall regard this as termination of the Agreement by the Customer effective as of the day of the agreement amendment. In this case,
- the Cardholder shall, without delay, stop using the Citicard and using the Services;
  - in the case of loan agreements, all the payment obligations of the Customer towards the Bank shall fall due on the termination day and the Customer shall make full prepayment. Such prepayment shall be free of charge.

## **1.9. TERMINATION OF THE AGREEMENT**

### **1.9.1. Death of Customer, inheritance**

- 1.9.1.1. In the event of the Customer's death, the Bank shall only block the amount of his/her estate if the original death certificate or death register extract is presented to the Bank. The Account Holder's heir may only submit an instruction regarding his/her receivables from the Bank arising from the Agreement in possession of and upon the presentation of the original and non-appealable estate ruling or inheritance certificate, following the due verification of his/her identity. However, the heir shall not become a Customer and his/her instruction shall only relate to the payment or transfer of the balance on the Account.
- 1.9.1.2. If several Customers entered into the given Agreement jointly and the Account has several holders, the death of one of the Customers shall be reported to the Bank by the surviving Customer (Customers) without delay, in accordance with the above Clause 1.9.1.1. The Bank shall not be liable for any losses arising from failure to proceed as stated above. The Bank shall not investigate the legal relationship between the Customers, the death of the Customer shall have no impact of any kind on the surviving Customer's (Customers') rights related to the Account, and the surviving Customer (Customers) shall be the holder(s) of the Account thereafter.

### **1.9.2. Termination by ordinary notice**

- 1.9.2.1. The Parties may terminate the entire Agreement or the parts thereof relating to certain Services - if the given Service is independent of other Services and may thus be used independently of any other Services - by ordinary notice, at 15 days' notice, in writing, without stating their reasons. Unless, any special conditions applicable to the particular service provide otherwise, the Account Holder shall also be entitled to terminate parts of the Agreement relating to certain Services by using the CitiPhone Banking service. The termination by the Customer will

become effective in respect of the Bank - independently from the date of the notice - exclusively if

- and when the Account Holder will have paid any and all existing debts to the Bank,
- the bank account kept pursuant to the bank account agreement to be terminated was used for the payments related to the investment services, then the Account Holder must specifically order the termination of use of the investment service,
- there is an investigation in progress in relation to a disputed transaction relating to the Bank Account, then any amount provisionally credited during the period of the investigation must be reverse and debited to the Account Holder's bank account simultaneously with the submission of this declaration.

If the Account Holder authorised a third party Account Holder (the eligible party), in a letter of authorisation to submit an immediate collection order against his bank account, then the earliest date of termination of the bank account agreement may be the first day after the withdrawal or expiry date of the letter of authorisation.

If the same bank account agreement is concluded by several customers concurrently, then the customers (joint (co)Account Holder/s) shall have joint and sever of liability towards Citibank in relation to the bank account agreement and may terminate the bank account agreement only jointly, with a unanimous declaration.

If the Account Holder does not give any instructions concerning the account balance, then Citibank shall act as the trustee of the account balance and charge a fee for such services as defined in the Interests and Fees.

Following the submission of the declaration for the termination of the bank account agreement, Citibank may block the Citicard within its own discretion at any time.

- 1.9.2.2. In addition to the general cases, the Agreement shall cease to have effect in respect of the Account attached to the Citicard upon the expiry of the validity of the Citicard if no new Citicard is issued on the basis of the Bank's decision or if the Account Holder so instructs the Bank at least two months prior to the expiry of validity.

### **1.9.3. Serious breach of contract and termination with immediate effect**

- 1.9.3.1. The following shall qualify as serious breaches of agreement in particular:
- if the Customer seriously or repeatedly violates his/her obligations determined in the Agreement (including his/her payment obligation) or meets such obligations belatedly;
  - if the Customer exceeds the credit line;
  - alteration or attempted alteration of the details stated on the Citicard or the data stored therein;
  - use of the Citicard after blocking or beyond its term or territory of validity;
  - violation of the rules relating to the use of the Citicard;
  - if the Customer seriously violates any of his/her agreements entered into with any credit institution, the Bank or any legal entity owned by the Bank partially or fully;
  - if the Customer makes erroneous or misleading declarations or supplies such data in respect of or in connection with the Agreement, or if the Customer misled the Bank by stating untrue facts, concealing data or in any other way;
  - if any change occurs, which is, in the Bank's opinion, detrimental, in the Customer's financial situation or any other circumstance relevant to the Agreement.
- 1.9.3.2. The following may be the consequences of a serious breach of agreement at the Bank's discretion:
- termination of the Agreement with immediate effect;
  - reduction of amount of overdraft facility / deposit credit, or termination of overdraft facility / deposit credit;
  - blocking of the Citicard;
  - enforcement of collateral;
  - exercise of right of offset;
  - refusal or suspension of execution of Orders (Service requests).

### **1.9.4. Legal consequences of termination of the Agreement**

- 1.9.4.1. In the event of the termination of the Agreement for any reason, the Account Holder shall notify any other Account Holders and Authorized Persons, if any, thereof without delay, and shall destroy all Citicards on the third bank business day of becoming aware of termination, at the latest, unless this is obviously impossible in view of the reason for termination. The Account Holder shall be liable for any losses arising from failure to proceed as stated above. It is forbidden to use the Citicard after the termination of the Agreement.
- 1.9.4.2. Through the termination of the Agreement, all the commitments of the Bank defined in the Agreement shall cease and all the debts of the Customer outstanding towards the Bank shall expire and fall due on the day of termination of the Agreement, regardless of their original due date, and the Bank shall be entitled to offset its receivables as stated in the Agreement on the due date. Termination of the Agreement shall, however, not terminate the Parties' obligations of settlement and payment.
- 1.9.4.3. In the event of the termination of the Agreement, the Bank shall be entitled to block the Citicard at any date determined at its sole discretion as of the date of becoming aware of termination, subject to notification of the Cardholder.
- 1.9.4.4. The Bank shall terminate the Account(s) at the date of the termination of the Agreement. The Account Holder may state for the Bank a bank account number at his/her own discretion to which the Bank is to transfer the free and available balance, free from the Bank's right of offset, of his/her funds deposited with the Bank on the basis of the Agreement, or may collect the balance in cash in the Bank Branches simultaneously with the termination of the Account.
- 1.9.4.5. If the Account Holder provides no instruction regarding the balance of the Account following the termination of the Agreement, the Bank shall keep it in responsible custody for a maximum period of 5 years. The Bank may charge the fee stated in the Pricing Schedule for this Service. The Bank shall pay no interest on any amounts in responsible custody.
- 1.9.4.6. Termination of the Account and the Agreement shall not affect the fulfilment of the Account Holder's obligations towards the Bank. In the event of the termination of the Account, if the Account Holder provides no instruction regarding the remaining balance of the Account and also keeps other Accounts with the Bank, the Bank shall be entitled to transfer the remaining balance to another Account, with regard to the relevant legal rules. The Bank shall send a notice and settlement of termination of the Account to the Account Holder.
- 1.9.4.7. Upon the termination of the Account, the Bank shall be entitled to charge the Account Closing fee stated in the Pricing Schedule.

### **1.10. CONFIDENTIALITY OF BANK SECRETS, PROTECTION OF PERSONAL DATA**

- 1.10.1. Exclusively compulsory provisions of the relevant law or the Customer's preliminary informed consent may serve as legal basis for managing personal data. In this latter case, any consent of the Customer granted to the Bank in connection with data management, storage and processing constitutes the voluntary and definite expression of the relating will based on proper

- information and through which the Customer - by requiring the Service concerned or by signing the Agreement - grants his/her unambiguous approval to the management of his/her personal data.
- 1.10.2. The Bank shall manage, store and process all personal data of the Customer, provided by the Customer upon application for the given Service, during the effect of the Agreement in writing, verbally or otherwise, or transferred to the Bank's possession in any other way in compliance with the legal rules concerning data protection, within the relevant period of lapse or the period defined by any other mandatory provision of legal rule, in the interest of the enforcement of the rights and fulfilment of the obligations arising from the Agreement, for the purpose of risk analysis and reduction and in order that the Bank notifies the Customer directly of the Services rendered by it (unless the Customer expressly objected to the latter).
- 1.10.3. The Bank may manage the identification data indispensable and sufficient for the identification of the applicant for the sake of establishing or amending the Agreement directed to granting services in connection with the information society, follow-up of its implementation, invoicing of the charges emerging thereunder, as well as for enforcing any related claims. For the sake of invoicing the charges under the Agreement directed to granting services connected with the information society, the Bank may manage such personal data connected with using services connected with the information society that are indispensable for establishing the fees and for the invoicing, thus especially data concerning the date, duration and place of using the Service. In addition, the Bank is also allowed to manage personal data technically indispensable for granting the Service for the sake of providing such Service.
- 1.10.4. The Bank shall process the Customer's data generated/managed in connection with the Agreement by observing the data protection regulations, handle such data during its work procedures within Citigroup's units (preparation of statistics, printing of bank cards, printing of Account Statements), as well as transfer such data for the sake of processing and handling to other units belonging to the Citibank/Citigroup group of companies whether within or outside the country, as well as transfer them for the purpose of selling the Services and of the relevant accounting for its banking and/or investment agents, and/or insurance agents having a contract with the Bank.
- 1.10.5. The Bank will disclose the data relating to the Customer in connection with the Services granted to third parties for the purposes of printing postal cheques, Account Statements, making consumer research related to the Bank's products ordered by the Bank, enforcing the Bank's outstanding debts and for the sake of data management and processing in connection with the above activities.
- 1.10.6. If the Customer is obliged to pay tax in the United States of America (hereinafter: US), the Bank shall submit to the competent authorities of the US the report prescribed by the US' tax regulations on the Customer's Accounts kept with the Bank.
- 1.10.7. The Bank may supply the data specified by law to the central credit information system (hereinafter: KHR) and the central credit information system will be authorised to record and to manage such data.
- 1.10.8. The Bank shall apply automated individual decision-making upon the judgement of the extension of certain, in particular, credit-type Services, within the framework of which the Bank evaluates the Customer's personal data exclusively through automated data processing to be implemented by the means of computer technology. In connection with automated individual data processing, the Bank shall provide an opportunity to the Customer concerned to explain his opinion, and shall, at request, provide information on the mathematical method applied and the main points thereof.
- 1.10.9. The Bank may process any personal data handed over to the Bank in any of the Citibank units in the following countries in line with the Hungarian data protection laws: Germany, Singapore, Poland, Greece, United States of America, Britain, India, United Arab Emirates, the Philippines; with the proviso that as of the date of coming into force of the international convention on the accession of the Republic of Hungary to the European Union, the data forwarded to the member states of the European Union shall be considered as if the data were forwarded on the territory of the Republic of Hungary.
- 1.10.10. The Bank shall ensure the protection of the Customer's rights related to his/her personal details, as determined in Act LXIII of 1992 on the Protection of Personal Data and the Publicity of Data of Public Interest, also in the course of any data management abroad.
- 1.10.11. The Bank may be entitled (obliged) to satisfy certain data disclosure obligations not constituting the violation of any bank secrets pursuant to the relevant legal rules.
- 1.10.12. The Bank may disclose the Customer's name and address to third parties who issue a declaration in writing that the amount paid or transferred by them to the Customer's Account was a voluntary payment and where the Customer himself/herself does not provide for repayment or for contacting such third parties within 15 days of the prior notification of the Customer by the Bank.
- 1.10.13. The Bank shall state the range of outsourced activities and the service providers engaged in such outsourced activities in an annex to the Pricing Schedule. In addition, the Bank shall provide information on its Internet page on the third parties who/which may manage, store or process the data of Customers as part of their activities pursued on the Bank's behalf.
- 1.10.14. Until full payment of the debt existing under the Agreement, the Customer will be bound to supply the Bank data corresponding to the truth. The Bank may control authenticity of the data supplied by the Customer by observing the relevant legal provisions.
- 1.10.15. The Bank shall check the personal details supplied by the Customer on the basis of the data of the Central Registration and Electoral Office of the Ministry of the Interior or the reason for and time of possible deletion therefrom in the interest of the conclusion of the Agreement and for preventing any the unauthorized use of identity cards.
- 1.10.16. The Bank will supply the Customer details necessary for the enforcement of blocking the Citicard in the Card Company's network to the relevant international Card Company and network of Merchants.
- 1.10.17. The Bank shall be entitled to record the telephone conversations conducted as part of its CitiPhone Banking Service and is free to use such sound recordings as evidence in any dispute in connection with the given conversation.
- 1.10.18. The Bank may install cameras in its own premises open to customers and on the ATMs, with which it may make video recordings of the Customer, and the Bank may use such video recordings as evidence for the purposes of the settlement of any dispute.
- 1.10.19. The Bank shall be authorised to make photocopies of the Customer's identity card bearing a photo and any other document submitted by the Customer to the Bank in the course of customer identification or at any time during the term of validity of the Agreement, and to store, handle and use them for the purposes of risk management and the verification of personal details until the lapse of the enforceability of rights and obligations.
- 1.10.20. If no Agreement is concluded following the Customer's application for the Service, he/she may demand the return of any documentation which contains his/her personal data and was previously handed over to the Bank within eight days of the frustration of the conclusion of the Agreement, and based on this request, the Bank shall return such documentation. Following the expiry of the deadline available for demanding the return of documentation containing personal details, the Bank shall destroy any documentation containing such details, unless the Bank stores, handles and processes them with the direct aim of business acquisition, in full compliance with the rules of data protection set forth in the relevant legal rules.
- 1.10.21. The Bank shall inform the Customer on its products, services and special offers from time to time, for advertising purposes, by way of direct mail, telephone, SMS or e-mail messages. The Customer may notify the Bank personally in any Branch of the Bank, in writing or via the CitiPhone Banking customer service or in an e-mail message if he/she does not wish to receive such information by way of direct mail. The Customer may make such ban free of charge at any time, without justification and unconditionally. The Bank shall, however, be obliged to send any information required under the Agreement and by the legal rules to the Customer even in the event of the above request.
- 1.10.22. At the Customer's request, the Bank shall provide information within 30 days on the Customer's data handled by the Bank or processed by the data processor commissioned by the Bank, as well as on the aim, legal basis and period of data handling, the name and address (head office) the data processor and his/her activities related to data handling, furthermore, of the parties who receive or received the data and the purpose of receiving such data. Such information shall be provided free of charge if the Customer requesting information did not submit any application for information relating to an identical area to the Bank in the current year. In other cases, the Bank reserves the right to establish cost reimbursement in connection with the provision of information.
- 1.10.23. The Customer concerned may object to the handling of his/her personal data (i) if the handling (forwarding) of personal data is required exclusively for the right or lawful interest of the Bank or the party receiving the data, unless data handling was provided by law; (ii) personal data are used or forwarded for the purpose of direct business acquisition, public opinion poll or scientific research; (iii) the exercise of the right of objection is otherwise allowed by law. The Customer may, furthermore, take the case to the court or may submit a report to the data protection commissioner in the case of the violation of his/her rights.

## 1.11. THE CENTRAL CREDIT INFORMATION SYSTEM AND THE RELATED DATA MANAGEMENT AND LEGAL REMEDIES

- 1.11.1. The central credit information system (referred to hereinafter as KHR is a closed-type database having the purpose of judging the credit standing in a more differentiated manner and thus rendering possible crediting in a wider range, while promoting decrease of the lending risks for granting safer operation of the creditors (hereinafter: reference data suppliers) specified in Act CXII of 1996 on the Credit Institutions and Financial Enterprises (hereinafter: Hpt.).
- 1.11.2. Conditions of data transfer to the central credit information system:
- 1.11.2.1. Exclusively data specified in the Hpt. may be managed in the KHR (hereinafter: reference data).
- 1.11.2.2. The reference data supplier shall transfer data to the financial enterprise managing the KHR (hereinafter: KHR Manager) on any natural person, who:
- with the reference data supplier concludes an Agreement concerning
    - a credit or loan;
    - financial lease;
    - issuance of any electronic money or of a payment mean substituting cash, as well as on granting the related services;
    - undertaking a bail and issuing a bank guarantee or assumption of other banking obligations, or
    - a student loan as specified in a separate legal rule, or
    - securities borrowing,
 and who fails comply with his/her payment obligation undertaken in such Agreement in a manner that the amount of the expired and outstanding debts exceeds the amount of the lowest minimum wage in force at the time of falling in default, and such payment default in excess of the amount of the minimum wage continues to subsist for more than ninety days;
  - supplies any untrue data or uses a falsified or fake document when initiating conclusion of the Agreement related to the services as to item a) above or if the student loan agreement specified in a separate legal provision, if all this may be documented;
  - following his/her notification concerning any non-cash means of payment reporting that he/she has lost possession of the electronic payment facility or his/her personal identification code, or other code or similar identification data necessary for the use of the electronic payment facility has got to knowledge of an unauthorised third party, performs any transaction with the payment facility reported;
  - during using the non-cash payment facility makes illegal use of some other person's personal identification code or other identification data;
  - against whom, in connection with the use of the non-cash payment facility, the Court establishes in its final resolution commitment of the crime specified in Article 313/C of the Criminal Code (Btk.) (abuse of non-cash payment facility).
- 1.11.3. Scope of the data that may be transferred to the central credit information system
- In the course of the data transfer, the Bank shall submit to the KHR Manager the identification data of the natural person [name, name at birth, date and place of birth, his/her mother's name at birth, number of the identity card (passport) or number of any other document suitable for personal identification in compliance with Act LXVI of 1992 on Recording Personal Data and Address of the Citizens, address and mail address], as well as
- in the case of item a) of article 1.11.2.2. contractual data referring to the financial service there specified and to the student loan [type and identifier (number) of the Agreement, date of conclusion expiry or termination of the Agreement, the contractual amount and currency, the date of fulfilment of the conditions specified in item a) of Article 1.11.2.2., the amount of the debt matured and still outstanding at the time of fulfilment of the conditions specified in item a) of Article 1.11.2.2., the way and time of termination of the matured and outstanding debts, remarks concerning assignment of the claim to an other reference data supplier or referring to a suit];
  - in the case of item b) of Article 1.11.2.2., data concerning initiation of the Agreement for the financial service specified in item a) of Article 1.11.2.2. and for the student loan specified in a separate legal rule [date and reason of rejecting the application, documentary evidences, remark concerning any suit];
  - in the case of items c), d) and e) of Article 1.11.2.2., data connected with the use of the non-cash payment facility [type and identifier (number) of the non-cash payment facility, date of blocking, date, number amount of the transactions performed with the blocked non-cash payment facility, number of the unauthorised utilisations, the amount of the damage caused, the date of Court decision becoming final, remark concerning any suit];
- ### 1.11.4. Management of the reference data
- 1.11.4.1. The Bank shall keep a record on the reference data transfers to the KHR Manager (fact and date of the transfer, scope of the data transferred).
- 1.11.4.2. The KHR Manager will manage the data transferred in compliance with Article 1.11.2. for a period of five years, deleting them finally and irrevocably after the expiry of this period. The following dates will be considered as starting date for calculating the five year period:

- a) in the case of item a) of Article 1.11.2.2., the time of termination of the outstanding debt,
  - b) in the case if items b), c), d) and e) of Article 1.11.2.2., the date of the data transfer.
- 1.11.4.3. The KHR Manager shall also cancel the reference data immediately and in an irrevocable manner, if
- a) the Bank is liquidated without legal successor and the claim under the Agreement connected with the data supply had not been transferred to an other reference data supplier,
  - b) the claim under the Agreement connected with the data supply had been transferred to a person other than a reference data supplier, and
  - c) the reference data have been submitted illegally to the KHR.

#### 1.11.5. Requesting data

- 1.11.5.1. The KHR Manager may accept exclusively data supplied by the Bank and by other reference data suppliers, and may submit exclusively reference data managed by it to the reference data suppliers on the basis of the data request submitted by them.
- 1.11.5.2. No other data may be transferred to the reference data supplier in addition to the reference data of the recorded person indicated in the data request.
- 1.11.5.3. A data request concerning reference data of a natural person may be exclusively used for substantiating a decision-making in respect of the Agreement concerning financial Services specified in item a) of Article 1.11.2.2. or of an Agreement concerning supplementary investment services connected with investment loan granted to investors or securities borrowing or for the purposes of supplying the information as to Article 1.11.5.4.
- 1.11.5.4. Any person may require information from any reference data supplier (the Bank included) on his/her data recorded in the KHR and on the reference data supplier that had transferred such data to the KHR.
- 1.11.5.5. The Bank shall forward such request of information to the KHR Manager immediately but not later than within two business days and the latter shall send the requested data in a closed manner within five days to the Bank, which will forward them upon receipt, also in a closed manner, in form of a document mailed with certificate of delivery without delay but latest within two business days to the applicant. Such information will be free of charge for the applicant - independently from the reference data supplier, through which the application had been submitted - once in a year. A fee specified in the Pricing Schedule will be payable for any addition request of information.
- 1.11.5.6. In the event, when the reference data had been illegally submitted to the KHR, or if such data have to be corrected or cancelled upon the recorded person's objection, the Bank shall repay to the applicant the fee paid by him/her.

#### 1.11.6. Remedies

- 1.11.6.1. The recorded person may seek remedy for submission of his/her data to the KHR Manager by the Bank and for the management of such data in form of an objection and/or in judicial way:
- 1.11.6.2. The recorded person may submit objection to the Bank or to the KHR Manager requiring correction or cancellation of the reference data; the Bank and/or the KHR Manager shall investigate such objection within fifteen days upon receipt and inform the submitter of the objection on the result of the investigation in form of a document mailed with certificate of delivery immediately but not later than within two business days.
- 1.11.6.3. If the Bank admits the objection, the Bank has to submit the reference data corrected or to be cancelled to the KHR Manager immediately but latest within two business days - informing simultaneously the recorded person - and the KHR Manager has to register the modification without delay but not later than within two business days.
- 1.11.6.4. The recorded person may institute an action against the Bank and the KHR Manager due to the transfer and management of his/her recorded reference data, respectively for their correction or cancellation, at the Court having jurisdiction at his/her place of domicile, if
- a) he/she does not approve the result of the investigation of his/her objection, within 30 days upon receipt of the information on the objection's investigation; or
  - b) the Bank or the KHR Manager fails to comply with the obligation of information specified in Articles 1.11.5.5 and 1.11.6.2., within 30 days upon lapsing of the term established for the obligation of information.
- 1.11.6.5. The KHR Manager shall record the action instituted until its final conclusion together with the reference data objected.

### 1.12. OTHER PROVISIONS

#### 1.12.1. Due compensation for limitation of Bank's liability related to any breach of Contract

Except for the case of wilful and gross negligence, the Bank hereby precludes or limits its liability related to any breach of agreement on its part. The Bank shall compensate its Customer for the disadvantage entailed thereby through providing its Services for the Customer against the Bank Charges specified in the Pricing Schedule. If the Bank did not preclude or limit its liability related to breaches of Contract as stated above, it would only be able to provide its Services against Bank Charges of substantially higher amounts.

#### 1.12.2. Governing language

If the Parties enter into the Agreement in two languages, in the event of any discrepancy between the Hungarian and foreign language versions, the wording of the Hungarian text shall govern.

#### 1.12.3. Compliance with legal rules

The Bank shall provide its Services for the Customer with regard to the legal rules in force. The Customer hereby assumes the obligation to use the Services in harmony with the legal rules in force. The Customer hereby agrees to indemnify the Bank against any losses sustained by the Bank in connection with the violation of his/her above obligation.

#### 1.12.4. Taxes and other public dues to be deducted or payable

- 1.12.4.1. The Bank shall deduct all taxes, duties, penalties and other public dues that any tax or any other authority may impose if the obligation of deduction is prescribed for the Bank on a mandatory basis. The Customer shall repay any of its outstanding debt towards the Bank and shall pay all Bank Charges free from any taxes, duties and other public dues.
- 1.12.4.2. If, as a result of a change in a legal rule or the interpretation or application of a legal rule and/or the order of a central bank or another authority, the Bank incurs costs or extra costs in connection with any of its obligations existing under the Agreement or in respect of any amount paid or received, at the Bank's request, the Debtor shall, from time to time, promptly pay the Bank an amount which is sufficient for compensating the Bank for such costs.

#### 1.12.5. Waiver

The non-exercise by the Bank of any right arising from the Agreement or any delay in the exercise of rights shall not constitute the Bank's waiver of such rights; the Bank shall be entitled to exercise or not to exercise any rights under the Agreement at its sole discretion.

#### 1.12.6. Deposit insurance

- 1.12.6.1. The Accounts opened on the basis of the present General Business Conditions are insured pursuant to the provisions relating to the National Deposit Insurance Fund (for the purposes of this Article, referred to hereinafter as Fund) of Act CXII of 1996 on Credit Institutions and Financial Enterprises.
- 1.12.6.2. However, the insurance granted by the Fund does not cover deposits of:
- a) the state budget organisations;
  - b) economic companies wholly owned by the state,
  - c) local governments,
  - d) insurance companies, voluntary mutual insurance funds and private pension funds,
  - e) investment funds,
  - f) the Pension Insurance Fund and the Health Insurance Fund, as well as of their management bodies, the health insurance body and the pension insurance administrative body
  - g) extra budgetary funds,
  - h) financial institutions,
  - i) the National Bank of Hungary,
  - j) investment enterprises, stock exchange members and commodities exchange service providers,
  - k) compulsory or obligatory deposit insurance, institution protection and investor protection funds and the Guarantee Fund of Funds,
  - l) leading officials and elected auditors of the credit institutions, as well as persons having at least five percent ownership in a credit institution, or persons near of kin of all these persons, living in the same household,
  - m) economic organisations operating with influencing ownership share of the persons listed in item l) [Article 685, paragraph c) of the Civil Code],
  - n) venture capital companies and venture capital funds and their foreign counterparts.
- 1.12.6.3. The insurance granted by the Fund does not cover furthermore:
- a) any deposits, in connection with which the depositor receives remarkably higher interests or other pecuniary benefits than those granted to deposits of the same amount and of the same tie-up period deposited at the time of the contract conclusion,
  - b) any deposits, about which a Court established in its final decision that the amount deposited derived from money laundering, and
  - c) any deposits deposited in a currency other than Euro or the official currency of a Member State of the European Union or of the Organisation of Economic Co-operation and Development.
- 1.12.6.4. The Bank undertakes no responsibility or pecuniary risks against the Customer for the loss of value of the amounts credited to the Customer due to payment of taxes or dues or to depreciation, or for the non-usability of the amounts for restrictions regarding their conversion and/or transferability, appropriation, forced transfer, war, civil commotion, attachment for any reason, military or usurpative exercise of power or for any other similar reason beyond control of the Bank, and in such cases neither Citigroup, nor any of its branches, subsidiaries or units will be liable.

#### 1.12.7. Liability of the Bank for its agents

The Bank shall not be liable for any damage or losses sustained by the Customer which were caused or charged by another bank involved in the execution of the transaction or arose from any error in communication with the Customer or were due to the inaccuracy, incorrectness or incompleteness of the Order or instruction given by the Customer.

#### 1.12.8. Liability for force majeure

The Bank shall not be liable for any losses which were sustained as a consequence of an order of a domestic or foreign authority, the refusal or belated granting of the required official licences or unforeseeable and unavoidable events, including but not limited to armed conflicts, revolutions, martial law, uprisings, natural disasters, disruption of or any error in telecommunication, the fall or collapse of any market, strikes, labour disputes or other circumstances falling beyond the Bank's control (hereinafter referred to as "force majeure"), or for losses which the Bank cannot be held liable for, or for losses which were caused by events occurring within the Customer's interests or control or which result from the fact that the Customer failed to satisfy or belatedly satisfied the terms of the Agreement.

#### 1.12.9. Currency changes

If there is a change in the currency or currencies of one or several countries which affects the relationship of the Customer and the Bank or the agreement entered into by the Bank and the Customer, including, in particular, the case where a new currency is introduced in place of any currency, (i) the Agreement shall continue to remain in force; (ii) the above event may not be regarded as force majeure and (iii) (if the old currency is terminated as legal tender, as of the date thereof) the liabilities of the Bank and the Customer expressed in the old currency shall be registered and settled in the new currency, with the proviso that, in the absence of a separate agreement, the Bank may determine the method and circumstances of the fulfilment of obligations in good faith. The Bank and the Customer hereby agree to make every effort to amend or supplement the agreement in accordance with the foregoing, if required. If the old currency is terminated as legal tender, the Bank may prescribe a prior reporting obligation in respect of disbursements to be made in the new currency, or may regulate disbursements in the new currency in any other appropriate way.

#### 1.12.10. Assignment

The Customer may not assign his/her rights and may not transfer his/her obligations arising from the Agreement (hereinafter collectively referred to as "Assignment") to third parties without the Bank's prior written consent. The Bank shall be entitled to assign its rights and obligations to third parties without the Customer's prior written consent. Based on the Assign, the assignee and obligor person shall acquire the rights and obligations of the Bank as part of the Assign, and the Bank shall be relieved of all its obligations arising from the Agreement by virtue of such Assign.

#### 1.12.11. Notices

- 1.12.11.1. The Bank and the Customer shall proceed in their contractual relationship with regard to the principle of mutual cooperation and good faith. They shall, without delay, inform each other of all material facts, circumstances and changes related to the transactions.
- 1.12.11.2. In the absence of an agreement to the contrary, the Bank and the Customer shall liaise electronically, by telephone, fax or mail or via any electronic communication device approved by the Bank.
- 1.12.11.3. The Bank and the Customer may also agree on a special form of liaison. In this case, the Bank may refuse to execute Orders which were not received by the Bank in the form prescribed or approved by the Bank, or were received via other data carriers or communication devices not approved by the Bank.
- 1.12.11.4. The Customer shall, without delay, notify the Bank in writing of all changes in any of his/her data supplied to the Bank, with the exception that he/she may report any changes in his/her mail address, mobile telephone number or e-mail address by using CitiPhone Banking. Any consequences that may arise from the non-fulfilment of the above obligation of notification vis-à-vis the Bank shall lie

with the Customer. To support such changes in data, the Bank may request the Customer to present further documents which the Customer shall send to the Bank without delay. Any changes in data initiated by the Customer in any form shall only constitute actual changes in the data registered by the Bank in respect of the given Service. In the course of any changes in data, the Customer shall inform the Bank of the Services he/she uses and shall expressly request the Bank to duly modify his/her data registered in respect of all those Services. The Bank shall not be liable for any losses arising from failure to proceed as stated above.

- 1.12.11.5. The Bank shall send all notices to the address specified by the Customer, which shall be considered governing by the Bank as long as the Customer informs the Bank on the contrary in appropriate form. Unless the given contract provides otherwise, receipt of the given notice by the Customer shall be considered occurred (i) in Hungary on the 5th (fifth) calendar day, (ii) in Europe on the 10th (tenth) calendar day, (iii) outside Europe on the 20th (twentieth) calendar day following mailing by the Bank, irrespective of whether it is a simple (normal) or a booked letter mail consignment. The Bank shall not assume liability for any damage arising from the presumption of receipt of the notice by the Customer. The Account Holder shall disclose to the Authorized Persons (the primary Account Holder to the other holders) the contents of all notices received from the Bank which are sent to the Account Holder alone on the basis of the Agreement, and the communication of which is necessary in the interest of the exercise of the rights and fulfilment of the obligations of the Authorized Person under the Agreement.
- 1.12.11.6. If the Customer is expressly obliged under the Agreement to send written notices, notification by telephone shall not substitute for written notification. The Bank hereby precludes liability for any losses sustained by the Customer or third parties in connection with the non-fulfilment of this obligation of the Customer.
- 1.12.11.7. As part of his/her obligation to prevent and to alleviate any damage, the Customer shall, without delay, inform the Bank if any notice expected from the Bank is not received or is not received in time.
- 1.12.11.8. The Customer hereby expressly accepts that, in respect of the services rendered under the present General Business Conditions, if the Customer has a Citibank Online agreement, by using the appropriate modules, text windows and other similar tools of Citibank Online (e.g.: click acceptance, e-mail), the Parties may validly and with full legal force notify each other in connection with the Agreement, may make declarations in connection with the Services, may even validly amend any Agreements existing between them in writing or may enter into new Agreements coming under the effect of the present General Business Conditions, provided that, prior to such communication, the Bank is able to identify the Customer on the basis of his/her Citibank Online Code in the manner set forth in the present Agreement.

#### 1.12.12. Publication of material information

- 1.12.12.1. The Customer hereby accepts that the Bank shall publish all material information relating to the services provided on the basis of the Agreement (for instance, the General Terms and Conditions, Pricing Schedule, period of time necessary for receipt of Order at beneficiary's bank, the rules of any complaint and legal remedy procedures that the Customer may resort to and the rules of recourse to such procedures) in its Bank Branches and also via its CitiPhone Banking Service.
- 1.12.12.2. The Customer hereby expressly accepts the above method of publication of information as valid notification with full legal force received from the Bank in connection with the given service, even as substitute for written notices, unless otherwise required by law. The Customer hereby accepts that the information so published may be amended or may change even without the prior direct notification of the Customer.

#### 1.12.13. Partial invalidity

- 1.12.13.1. If, based on the decision of a court, any of the clauses of the Agreement is declared invalid, the whole Agreement shall not become invalid but shall remain in force while the invalid provision is excised, unless the court decides otherwise.
- 1.12.13.2. Upon the occurrence of the above, the Parties shall make every effort to agree on another mutually acceptable provision for the replacement of the invalid provision.

#### 1.12.14. Customer service, complaints and order of settlement

- 1.12.14.1. For the purposes of the present Clause 1.12.14, any and all declarations made by the Customer to the Bank, in which the Customer finds the procedure by the Bank prejudicial, or lodges a complaint in connection with the operation of the Bank or any Service shall qualify as complaint.
- 1.12.14.2. From the respect of submitting a complaint to the Bank, all Bank Branches, the CitiPhone Banking, as well as the electronic surface established on Citibank Online and at [www.citibank.hu](http://www.citibank.hu) for such purpose shall qualify as customer service. The postal address of the Bank's Retail Customer Service is: 1367 Budapest, Pf. 123. A Customer may notify the Bank about his/her complaint in writing, verbally and in electronic form, too, with the proviso that a power of attorney fully meeting the relevant legal rules both from the respect of its form and its contents shall be attached to all written complaints not submitted personally. If a complaint is made on the phone, the Bank records the telephone communication between the Bank's Retail Customer Service and the Customer and keeps the audio recording for five years, making it available to the Customer upon request. Complaints may be submitted on any of the following channels: [www.citibank.hu](http://www.citibank.hu) Internet website, or on the following telephone number: 06-40-248424 for 24 hours.
- 1.12.14.3. In cases other than, the cases covered by Sub-sections 1.12.14.4 and 1.12.14.5., the Bank shall answer the Customer's complaint in writing, within 15 days, irrespective of the form of submission of the Customer's complaint. In the case of rejection of the Customer's complaint, the Bank shall also provide the answer with reasoning, as well as inform the Customer about the authority or conciliation Board to which he may turn with his complaint.
- 1.12.14.4. The Customer may also submit his/her complaint through the Bank's supervisory agency, the Hungarian Financial Supervisory Authority (1013 Budapest, Krisztina krt. 39., mail address: 1535 Budapest, 114, P.O. Box 777, telephone: +36 1 489-9100, facsimile +36 1 489-9102) (HFSA).
- 1.12.14.5. The Bank reserves the right to answer complaints of specific subject matters or concerning specific Services beyond the deadline set forth in the present Clause 1.12.14, if the participation of a third party outside the Bank (especially: Merchant, Card Company, another Bank) is also required for giving the answer. In such cases the Customer is also informed that the relevant answer depends on objective conditions, specified in this Section, not falling under the scope of control of the Bank.
- 1.12.14.6. Should the Customer not agree to the Bank's answer, or if it is not acceptable to it, the Customer may initiate court proceedings in accordance with the relevant legal rules in force or the Contract, or prior to that, the Customer may turn to a reconciliatory body, competent according to the Customer's home address/place of residence, and attached to the county/Budapest Chamber of Commerce and Industry, or the Hungarian Financial Supervisory Authority, pursuant to the rules of Act CLV of 1997 on Consumer Protection or initiate mediator's procedure on the basis of Act LV of 2002 on Mediator's Activities.

#### 1.12.15. Governing law, competence and jurisdiction in case of legal disputes

- 1.12.15.1. In matters not regulated in the Agreement, the Hungarian legal rules in force, in particular, the Civil Code, the Credit Institution Act, the Government Decree on Money Circulations and the Directives of the National Bank of Hungary shall govern.
- 1.12.15.2. For the event of any legal disputes that may arise from the Agreement, the Parties shall subject themselves to the exclusive jurisdiction of the Central District Court of Pest or the Metropolitan Court, depending on the subject-matter and value of litigation.
- 1.12.15.3. The Bank shall only meet its payment obligations in Hungary, in the Bank Branches, on the basis of the Hungarian legal rules in force. Neither the Bank's owner or parent company, nor any of its foreign subsidiaries or affiliates shall accept liability for these payment obligations.

## 2. SPECIFIC SERVICES

### 2.1. ACCOUNTS

- 2.1.1. The Bank shall offer the types of sight, savings and tied-up bank accounts specified in the Pricing Schedule, in the currencies quoted by it, to its Customers. The terms and conditions of these are stated in the present Chapter. All Accounts opened and kept by the Bank shall bear the name of the Customer specified in the account agreement, and an account number shall be assigned to each Account.
- 2.1.2. The Bank shall only open an Account for the Customer if the Customer submits the documents necessary for the identification of the Customer, prescribed by the applicable laws and otherwise required by the Bank pursuant to the provisions set forth in Clause 1.2 of the present General Business Conditions.
- 2.1.3. The date of the opening of the Account shall coincide with the date of signature of the Agreement by the Bank, provided that the Customer, too, had signed it simultaneously or previously. Conditions of the opening of an Account may be the placement on the Account of the minimum amount specified in the Pricing Schedule, signature of the Agreement and submission of the documents requested by the Bank in connection with the identification of the Account Holder.
- 2.1.4. The Bank shall be entitled to request information from the Customer prior to opening an Account, including conditions relating to his/her marital status, business activities and employment, and if the Bank receives incomplete or unsatisfactory data, the Bank shall be entitled to refuse to open an account at its discretion, pursuant to its assessment criteria.
- 2.1.5. The Customer may determine individual limits for certain regular transfer orders, as part of which the Customer
- may give Orders with a specified frequency for the automatic transfer, with a specified frequency, of amounts in excess of a certain limit balance from the Account to the credit of a specified bank account, or
  - may replenish the balance of the Account to a specified limit from another Account with a specific frequency.
- 2.1.6. This Service is available in the case of Current Accounts and Savings Accounts.

### 2.1.7. Current Accounts

- 2.1.7.1. Customers may use their Current Accounts for executing money transactions. The Bank shall execute the types of money transaction Orders submitted by the Customer which are authorized by the Bank on the given type of Current Account under the terms and conditions of the Agreement. In the case of several equally ranking Orders, if the balance of the Current Account is insufficient for the execution of all the Orders, the Bank shall determine the order of the execution of such equally ranking Orders at its sole discretion, unless a legal rule defines a mandatory rule in respect of the order thereof, and no liability of any kind shall lie with the Bank in connection with its above decision.
- 2.1.7.2. The Bank shall be entitled to offer further types of current accounts; in respect of these, the rates of interest, the Orders that may be executed to the debit or credit of the Current Account, the amount to be deposited on a mandatory basis for the opening of an Overdraft Facility and/or Current Account, the conditions of blocking, access to the balance of the Current Account and other rules relating to the Current Account shall be stated in the Pricing Schedule. The provisions of the present Chapter shall apply to such Current Accounts in all other respects.
- 2.1.7.3. On the Current Account, the Bank enables the execution of, inter alia, transfer orders, standing transfer orders, batch collection orders, prompt collection orders and deposit tie-up orders.

### 2.1.8. Savings accounts

The provisions relating to Current Accounts shall apply to Savings Accounts, with the difference that no money transaction Orders, other than book-entry transfers within the Bank, may be given to the debit of Savings Accounts, no Overdraft Facility / Deposit Credit may be attached to Savings Accounts, and no Citicard may be applied for in conjunction with Savings Accounts.

### 2.1.9. Tied-up deposits

- 2.1.9.1. The Customer shall be entitled to open a Tied-Up Deposit Account at any time if he/she deposits the minimum amount stated in the Pricing Schedule in cash, or by transfer in the case of a Customer already holding a Current Account with the Bank, as a Tied-Up Deposit with the Bank. Customers may exclusively tie up deposits in the same currency of the Account to be debited.
- 2.1.9.2. The purpose of the opening of a Tied-Up Deposit is to tie up the Customer's free and available funds in the currencies, for the terms and against the rate of interest determined in the Pricing Schedule. During the term of the Tie-Up, the Customer shall have no access to the amount of the Tied-Up Deposit, may not submit money transaction Orders to the debit of this amount and may not transfer this amount to another Current, Savings or Deposit Account. Interest shall be credited at the end of the term of the Tied-Up Deposit; the interest and the principal may be collected on the day of maturity.
- 2.1.9.3. In the case of an automatically renewed tie-up, based on the Customer's instruction, upon the expiry of the term, the Bank shall automatically and repeatedly tie up the amount - subject to the Customer's instruction, the principal and the interest thereon or the principal only - for the same term, at the rate of interest in force at the time of the repeated tie-up. If the Customer so instructed the Bank, the Bank shall repeat the tie-up upon the expiry of each term until the Customer instructs the Bank to the contrary. The Customer shall submit the modification of his/her tie-up Order by the second Business Day preceding the expiry of the term, at the latest.
- 2.1.9.4. If the Customer decides to withdraw the amount of the Tied-Up Deposit prior to the expiry of the term, the Bank shall pay the reduced rate of interest stated in the Pricing Schedule or shall pay no interest at all. The Bank may make the premature withdrawal of the amount of the Tied-Up Deposit subject to prior notification.
- 2.1.9.5. A Depositor may transfer the total current balance of any deposit specified by him to the Beneficiary(ies) appointed by him in the case of his debts based on a written declaration of a form of a Notarised Deed or a private document with full probative force. Pursuant to this order the balance will not form part of the Depositor's legacy and the Beneficiary(ies) may have access to it without any legacy proceedings following the authentic certification of the Depositor's debt. (Following the presentation to the Bank of the debt certificate attested by a

notary public or a debt certificate attested in accordance with the provisions of the applicable legal regulations.) The Beneficiary(ies) order may only relate to the termination of the Deposit Agreement and breaking of the Deposit.

### **2.1.10. Interest Tax**

- 2.1.10.1. Pursuant to the changes of Act CXVII of 1995 on personal income tax, entered into force on 1 September 2006, the Bank deducts interest tax from the income of its natural person customers earned under the title of interest depending on the taxpayer's status of the Client.
- 2.1.10.2. The deduction of the interest tax depends on the taxpayer's status of the person indicated as the Account Holder in the relevant account agreement. If there are Joint Account Holders, the interest tax base is divided among the Joint Account Holders equally, then the interest tax is deducted proportionately, in accordance with the taxpayer's status of the Account Holders.
- 2.1.10.3. The information on the tax regulations provided by the Bank cannot be considered a complex official interpretation of the law, equivalent to the provisions of the legal regulation. It is the sole responsibility of the Customer to study the contents of the tax regulations and make his business decisions accordingly. The Bank shall not assume a responsibility for any damages occurring from any different interpretation of the tax regulations by the authorities than the information provided by the Bank.

## **2.2. LOAN AGREEMENTS**

- 2.2.1. The Bank shall only grant and place at the Customer's disposal any credit or loan under the terms and conditions specified in the Agreement. The Bank shall decide on the issue of lending on the basis of individual assessment, with regard to an evaluation of the Account Holder's financial, legal and economic situation and, where applicable, the collateral to be provided.

### **2.2.2. Conclusion of Loan Agreement**

- 2.2.2.1. The Customer shall make an offer to the Bank for the conclusion of the Agreement by submitting to the Bank a Loan Application, with the contents and in the form specified by the Bank. The Bank shall decide on the acceptance of the contractual offer based on its credit assessment. The Customer shall remain bound by his/her offer until the Bank notifies him/her of the result of its credit assessment.
- 2.2.2.2. The Customer hereby accepts that if the offer does not satisfy the Bank's credit assessment criteria, the Bank may refuse the offer and may refuse to enter into the Agreement without stating its reasons. The Bank reserves the right not to enter into a Agreement on the basis of incomplete, erroneous or forged offers; false offers; and offers containing obviously erroneous data or not furnished with the required supplements.
- 2.2.2.3. The Customer hereby accepts that the Bank shall decide at its sole discretion, by exercising its right of free deliberation, whether to refuse to enter into a loan agreement, to refuse an application fully or partially, to render the whole or a part of the Loan disbursed overdue, to modify or to terminate the amount of the Loan, and whether to alter the terms and conditions set forth in the Agreement or in the Pricing Schedule, pursuant to the contractual rules relating to the modification of the Pricing Schedule.
- 2.2.2.4. The Bank shall accept the Customer's offer by sending a written notice to the Account Holder regarding the conclusion of the Agreement and its specific terms and conditions.

### **2.2.3. Acceptance of application with different contents**

The Bank shall be entitled to accept the Account Holder's offer with different contents in respect of the amount and maturity of the Loan and the terms and conditions set forth in the Pricing Schedule as part of its credit assessment. The Bank shall notify the Customer of the different conditions of acceptance. In this case, the Agreement shall take effect between the Parties if the Customer confirms as accepted the stipulations stated in the Bank's acceptance with different contents within 15 days of the Bank's notice to that effect. In the case of belated acceptance or acceptance contrary to the stipulations of the Bank, the Bank shall be entitled to refuse the offer without stating its reasons.

### **2.2.4. Coming into force**

The Loan Agreement shall come into force on the day determined in the Notice.

### **2.2.5. Conditions Precedent**

The Bank shall be entitled (i) to withhold any amount payable; (ii) depending on the situation, to suspend or to postpone any of its obligations set forth in the Agreement if any of the Conditions Precedent occurs. All conditions shall qualify as suspensive conditions, upon the occurrence of which the Bank may terminate the agreement relating to the Loan with immediate effect. The Bank may, based on its own decision, waive the application of any of the Conditions Precedent listed below. If the Account Holder fails to meet any of the Conditions Precedent within 15 days of the conclusion of the Agreement, the Bank may abandon the Agreement with immediate effect.

### **2.2.6. Credit Charges**

The Bank shall state all Bank Charges relating to the Loan Agreement in the Pricing Schedule which form part of the Agreement. The Account Holder shall pay interest on the amount of the Loan.

### **2.2.7. Late payment**

If the Account Holder failed to repay any of his/her debt at the due date thereof, the Account Holder shall pay default interest on the amount paid belatedly for the term of such delay. If any interest falls due and the Account Holder fails to pay such interest, the Account Holder shall pay default interest on such interest until the interest is fully paid. The rates of interest and default interest are stated in the Pricing Schedule.

### **2.2.8. Serious breach of agreement in case of Loan Contracts**

The Account Holder hereby accepts that, in addition to the cases defined in Clause 1.9.3., the following shall also qualify as serious breaches of agreement:

- all events, upon the occurrence of which, based on Section 524, subsection (1) of the Civil Code, it would be possible to refuse to hand over the amount of the loan; or
- if any of the facts listed in Section 525, subsections (1) and (2) of the Civil Code prevails; or
- the Account Holder does not repay any amount which is due to the Bank on the basis of the Agreement; or
- the Account Holder violates his/her obligation relating to the monthly payment and/or salary transfer or any other obligation existing under the Agreement; or
- the Account Holder exceeds the authorized amount of the Overdraft Facility; or
- any unfavourable change occurs in the Account Holder's financial situation which the Bank deems material from the respect of the maintenance of the Overdraft Facility; or
- the Debtor makes an erroneous or misleading declaration with respect to or in connection with the Agreement or if the Debtor misled the Bank by stating untrue facts, concealing data or in any other way.

## **2.2.9. Overdraft Facility**

- 2.2.9.1. The general rules relating to Loans shall apply to Overdraft Facilities, with regard to the differences set out in the present Chapter.
- 2.2.9.2. Based on the Account Holder's application, the Bank may link an Overdraft Facility to a Current Account. If the Bank accepts the application, the Bank shall simultaneously determine the amount of the Overdraft Facility, the rules of the repayment of any amount drawn and the amount to be paid in or the amount of salary to be transferred by the Account Holder monthly, on a mandatory basis, or any other conditions to be met by the Account Holder on a mandatory basis, in a Notice. The Bank shall establish the maximum and minimum amounts of the Overdraft Facility, the interest on the Overdraft Facility and the Bank Charges related thereto in the Pricing Schedule. The interest on the Overdraft Facility shall be calculated daily, on the basis of the amount of loan actually drawn, with regard to years of 365 days. The Account Holder may request the modification of the amount of the Overdraft Facility placed at his/her disposal in writing or via CitiPhone Banking. The Bank shall provide the Overdraft Facility for the Account Holder with regard to the amount and rates of interest stated in the terms of its credit assessment.
- 2.2.9.3. Renewal
- Simultaneously with approving the Overdraft Facility, the Bank shall also determine the date of maturity of the Overdraft Facility. Upon the maturity of the Overdraft Facility, the Customer shall repay the Bank all his/her outstanding debt, including the principal and the Bank Charges.
  - The Bank shall renew the Overdraft Facility at its sole discretion, according to its terms of assessment, against fee established in the Pricing Schedule. The Bank shall only inform the Account Holder of renewal in writing if the Overdraft Facility is not renewed or is renewed under different terms and conditions.
- 2.2.9.4. Drawdown of Overdraft Facility
- The Overdraft Facility may only be drawn from the Current Account, in such a way that, in addition to the free balance available as the Cover of the Orders given to the debit of the Current Account, the Bank shall also add the amount of the free and available (undrawn) amount of the Overdraft Facility to the amount of the Cover.
  - The Account Holder may only execute Orders up to the amount of his/her balance increased by the amount of the Overdraft Facility. The Overdraft Facility is provided on a revolving basis, that is, the amounts repaid from any credit drawn shall increase the amount of the Overdraft Facility, once they have been credited onto the Current Account.
- 2.2.9.5. Exceeding of Overdraft Facility
- If the Account Holder exceeds the Overdraft Facility, he/she shall pay a higher rate of interest, as determined in the Pricing Schedule for this event, in respect of the amount by which the limit has been exceeded.
- 2.2.9.6. Automatic termination of the Overdraft Facility
- The Bank reserves the right to automatically terminate the Overdraft Facility made available for the Customer upon occurrence of the conditions specified in the Pricing Schedule, without prior notification of the Customer. The Bank shall inform the Customer of the fact of the effective termination

## **2.2.10. Deposit Credit**

- 2.2.10.1. The general rules relating to Loans and the rules relating to Overdraft Facilities shall apply to Deposit Credit, with regard to the differences set out in the present Chapter.
- 2.2.10.2. Account Holders with certain types of Deposits may request the Bank to place Deposit Credit at his/her disposal up to a certain extent, specified in the Pricing Schedule, of the amount of their Deposit, in such a way that the Account Holder ties up the amount of the Tied-Up Deposit for the Bank as a security deposit serving to cover the Deposit Credit.
- 2.2.10.3. If the Account Holder satisfies the Bank's assessment criteria, the Bank shall place the Deposit Credit at the Account Holder's disposal simultaneously with the blocking of the Tied-Up Deposit as a security deposit. The Bank shall send Notification to the Account Holder via CitiPhone Banking.
- 2.2.10.4. By virtue of his/her application for Deposit Credit, the Account Holder accepts that the amount, as specified in the application, of the Tied-Up Deposit shall serve as a security deposit securing the amount of any loan that may be drawn under the terms of the Deposit Credit. By virtue of his/her application, the Account Holder acknowledges and accepts that the maturity of the loan drawn from the Deposit Credit shall coincide with the maturity of the Tied-Up Deposit. If the Account Holder wishes to withdraw the Tied-Up Deposit at any time prior to its maturity, all loans drawn from the Deposit Credit shall automatically expire and fall due at the date of the withdrawal of the Deposit. The Account Holder shall authorize the Bank to deduct the amount of all such debts from the amount of the Tied-Up Deposit, unless the Account Holder repays his/her due debt.
- 2.2.10.5. The Bank shall calculate the interest on the loan with regard to years of 365 days and shall charge the interest at the value date falling on the last Business Day of every month, or if the loan falls due and expires and/or the Account Holder withdraws the Tied-Up Deposit during the course of the month, the interest shall fall due upon maturity and/or upon the withdrawal of the Tied-Up Deposit.
- 2.2.10.6. The Bank shall charge and may debit the Account Holder with the application fee determined in the Pricing Schedule. By virtue of the above application for a credit line, the Account Holder shall authorize the Bank to debit any of his/her accounts kept with the Bank with the drawdown fee.

## **2.3. OTHER SERVICES**

### **2.3.1. Cheques**

- 2.3.1.1. The Bank shall accept cheques or other payment instruments in excess of the limit determined in the Pricing Schedule for collection, and shall credit the value of such cheques onto the Account after the value of the cheques had been credited onto the Bank's account. The Bank shall accept no cheques issued for the names of third parties.
- 2.3.1.2. If the Bank credits the value of the cheque submitted by the Customer onto the Account (purchases the cheque), it shall be entitled to re-debit the amounts credited onto the Account and the interest and charges thereon and/or to demand that the Customer pay an appropriate amount if the cheque is not paid, payment is revoked or the cheque is cancelled.
- 2.3.1.3. At the Customer's request, the Bank may issue bank cheques from a Current Account as stated in the Pricing Schedule.

**2.3.2.** Any Service the rules of which are not contained in these General Business Conditions is defined only in the General Contracting Terms and Conditions of the Bank applicable to the particular Service.

## **3. COMING INTO FORCE OF THE GENERAL BUSINESS CONDITIONS**

Date of coming into force of the present General Business Conditions:  
1 January 2009.

Budapest, 1 January 2009  
Citibank Europe plc Hungarian Branch Office