

## **ANNOUNCEMENT ON THE REPLACEMENT AND EXCHANGE OF BANKNOTES AND COINS**

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**Effective from March 25, 2016**

### **I. Banking procedures in case of banknotes and coins damaged and suspected to be forged**

#### **1st Damaged banknotes and coins**

As prescribed in NBH Decrees 11/2011. (IX.6.) and 12/2011. (IX.6.) the Bank shall act as follows during cash desk opening hours involving the branches determined in point III:

- Replace damaged HUF banknotes and coins free of charge which are no longer considered as legal tender and unable for circulation, up to 10 banknotes and coins at a time.
- The Bank undertakes to change maximum 50 pieces of the current HUF banknotes or HUF banknotes classified as legal currency but unable for circulation, up to the measure of the available stock for current HUF banknotes or – at most 100 pieces – current HUF coins.
- Incomplete HUF banknotes shall be replaced by the Bank if the extent of such banknote is more than half (minimum 51%) in a single piece. Incomplete HUF banknotes exceeding half the size – taped together continuously at one or more places by the client – shall also be replaced if it can be established without doubt that the parts fit together originate from the same banknote. Half (50%) or smaller banknotes shall not be replaced by the Bank.
- The Bank provides the present service during the cash desk opening hours in the branch determined in point III.
- The Bank reserves the right to deny providing the present service in case the client does not have a payment account with the Bank.
- The Bank does not replace damaged foreign currency banknotes.

#### **2nd Exchange of HUF banknotes and coins withdrawn from circulation**

The Bank exchange the banknotes and coins - withdrawn from circulation by NBH and not classed as legal tender anymore - to legal tender for 3 years counted from the deadline of withdrawal in case of banknotes and for 1 year counted from the deadline of withdrawal in case of coins without quantitative limitation. Payment account with the Bank or application payment service is not a criteria for application of exchange service prescribed herein and the Bank provides the present service free of charge and in all of the branches.

### **3rd Banknotes and coins suspected to be forged**

In case of banknotes and coins suspected to be forged, the Bank shall act pursuant to current regulations (Section 14, NBH Decree 11/2011, and Section 6, NBH Decree 12/2011).

The Bank is obliged to forward the banknotes suspected by it to be forged together with related minutes about take-over to the NBH.

## **II. Interchange of banknote and coin denominations (exchange)**

### **1st Interchange of HUF banknote and coin denominations**

- The Bank has the right to charge fee on service providing defined here the level of which is equal to the fee on banknote and coin exchange determined in the article regarding Cash service in the List of Conditions concerning account keeping.
- The Bank undertakes to change maximum 50 pieces of the current HUF coins or HUF coins classified as legal currency but unable for circulation, up to the measure of the available stock for current HUF coins or banknotes.
- The Bank undertakes to change maximum 50 pieces of the current HUF banknotes or HUF banknotes classified as legal currency but unable for circulation, up to the measure of the available stock for current HUF banknotes or – at most 100 pieces – current HUF coins.
- The Bank undertakes – in case of that demands which exceeds the available stock – to fulfill the client's changing request – maximum 50 pieces of HUF banknote/ HUF coin - within 3 working days by the client's prior phone notice. In this case the changing fee has to be hold on the client's current account until the date of fulfillment, and this fee has to be debited on the 3<sup>rd</sup> working day even the client desists form the changing intention.
- The acceptance of HUF banknote withdrawn from circulation, hard to recognize or damaged during payment including pay-in to the client's own payment account is not considered as interchange.
- The Bank provides the present service during the cash desk opening hours in the branches determined in point III.
- The Bank reserves the right to deny providing the present service in case the client does not have a payment account with the Bank.

**2nd The Bank does not exchange foreign currency banknote, coin denominations.**

## **III. Branch involved**

**KDB Head Office:** 1054 Budapest, Bajcsy-Zsilinszky út 42-46.