

Information on changes in funds transfers

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Dear Customers,

In order to increase the effectiveness of the fight against money laundering and terrorist financing, the European Union has issued the Regulation 2015/847¹ (hereinafter: Regulation) that shall be applied from 26 June 2017, which will result changes in the funds transfers. The Regulation put payment service providers under obligation to accompany funds transfers with certain information on the payer (sender) and the payee (beneficiary) throughout the payment chain, and to check the data of transfers in the required cases.

The Regulation applies to all external, incoming and outgoing credit transfers carried out by clients, specifically the GIRO (IG2), VIBER, SEPA transfers, and FX/HUF transfers in MT103 message type.

According to the Regulation, the following significant changes will take effect at KDB Bank Europe Ltd. (hereinafter: Bank):

Outgoing credit transfers initiated by our Customers:

- From 23 June 2017, in case of external funds transfers, the Bank as the payer's payment service provider automatically transmits – besides the payer's name and account number – the payer's address as well as that is registered by the Bank, to the payee's payment service provider, regardless of the amount and the direction (within EU/outside EU) of funds transfer, in order to ensure that our Customer's payment orders be fulfilled as soon as possible. Submission of funds transfer orders to the Bank is considered as an express consent to the transmission of such data. In order to keep our Customers' personal data accurate and up to date in the Bank's register, please report any changes in your data to the Bank without delay.
- From 23 June 2017, when submitting a transfer order, it is recommended for our Customers to provide the real, complete and accurate name of the payee (the account holder of the beneficiary account). Incomplete, inaccurate, mistyped name, or the difference between the name and account number² may result delayed processing and/or refusal of credit at the side of the payee's bank.

¹ Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfers of funds and repealing Regulation (EC) No 1781/2006

² The 'name and account number checking' means the examination of matching the beneficiary's name given by the payer, and the name of the account holder belonging to the payee's account number registered in the payee bank's system.

Incoming credit transfers in favour of our Customers:

- From 26 June 2017 in case of the incoming credit transfers, the Bank as the beneficiary's payment service provider carries out the required data verification prescribed in the Regulation, in the cases specified therein:
 - The payment order must include at least the following information:
 - **Concerning to the payer:**
 - ☞ Name
 - ☞ Account number
 - ☞ In case of funds transfers coming from within EU exceeding EUR 1,000 (or equivalent amount in other currency) and of all funds transfers coming from outside of EU at least one of the following data:
 - address
 - official personal document number and customer identification number
 - date and place of birth
 - **Concerning to the payee:**
 - ☞ Name (must be real, complete and accurate)
 - ☞ Account number
 - Conducting the name and payment account number checking.
- The Bank in its sole discretion may reject the credit of received transfers in the cases specified in the Regulation without the notice to our Customer, in particular if funds transfers received with missing or incomplete data (including the difference between the name and the account number), or suspend the crediting of the same until the data requested from the payer's bank is received.

We would like to call our Customers' attention to consider the above when submitting a transfer order, and please also call your funds transfer partners' attention on the filling-in requirements. If your funds transfer partner has the option to choose, besides the usual payer's name and account number we recommend to provide the payer's address in the credit transfer.

Further information:

[Click here to read the Regulation 2015/847 of The European Parliament and of The Council](#)

Please, closely follow our website, the messages sent via KDB NetBank and Electra. It is also highly recommended to review carefully the documents concerning changes.

If you have any questions, please contact your relationship manager or our Call Center by calling (+36 1) 473 4440.

Best regards,
KDB Bank Europe Ltd.