

## List of Conditions

Regarding cash deposit or government securities covered loan for retail clients

<b>1. Conditions of the loan:</b>				
1. Opening payment and collateral or securities account <sup>1</sup>				
2. Placement of HUF or foreign currency cash deposit or government securities collateral				
3. Authorization on fulfillment of principal and interest payables from the deposit or government securities collateral <sup>2</sup>				
<b>2. Interest rates, fees, costs related to the loan:</b>				
Currency of the loan:	<b>HUF, EUR, USD</b>			
<i>In accordance with the currency of the loan:</i>	<b>HUF</b>	<b>EUR, USD<sup>3</sup></b>		<i>Due date</i>
Annual interest rate (fixed): (base rate + spread rate):	<b>BUBOR<sup>4</sup> equal to the tenor+ 3%/5%<sup>5</sup></b>	<b>LIBOR<sup>4</sup> equal to the currency and tenor+ 3% / 5%<sup>5</sup></b>		<b>At maturity</b>
Annual percentage rate (APR): <sup>6</sup>	<b>5.00%/7.06%<sup>5</sup></b>	<b>EUR</b>	<b>USD</b>	-
		<b>4.66%/6.72%<sup>5</sup></b>	<b>6.64%/8.70%<sup>5</sup></b>	
Minimum amount:	<b>HUF 500,000</b>			
Maximum amount:	<b>HUF 100,000,000 but not more than the 80% of the collateral<sup>7</sup></b>			
Tenor: <sup>8</sup>	Tenor of the collateral but not more than <b>12 months</b>			
Credit approval fee:	<b>Free of charge</b>			
Handling fee:	<b>Onetime fee of HUF 5,000</b>			
Contract modification fee:	<b>Free of charge</b>			
Prepayment fee:	<b>0.5% of the prepaid amount but maximum HUF 10,000</b>			
Default interest:	<b>In addition to the interest rate, the debtor shall pay interest on late payments, as of the date of default at a rate of one-third of the central bank base rate in effect on the first day of the calendar half-year in line with related section of Civil Code.<sup>9</sup></b>			
Other costs:	<b>Payment account keeping fee: HUF 259 / EUR 1.05 / month Securities account keeping fee: HUF 200 / month</b>			

<sup>1</sup> Conditions regarding payment account opening, terms and fees can be found in effective "List of conditions for private persons" and "List of conditions of KDB Basic account package for private persons".

<sup>2</sup> The authorization concerns the case of repayment neglecting.

<sup>3</sup> In case the currencies of the credit line and its collateral are different one of those must be in HUF.

<sup>4</sup> BUBOR (Budapest Interbank Offered Rate); LIBOR (London Interbank Offered Rate): Interbank reference rate, Average of the merchant bank's lending rate. Our staff in branches provides information on effective level of BUBOR and LIBOR.

<sup>5</sup> In case the collateral cash deposit was placed in a rate defined in chapter 'Standard private HUF term deposit interest rate' or 'Standard private foreign currency term deposit interest rate' of the effective Private Deposit Announcement, the spread of the credit is 3%, otherwise it is 5%. In case of government securities collateral the spread of credit is 3%. The APR reflects the different spread rates published hereby.

<sup>6</sup> The APR was determined on basis of the present conditions and valid legal regulations and subject to change in case of existing conditions modification. The APR calculation is based: HUF 500,000 or equivalent EUR or USD amount with 1 year tenor. The value of APR does not reflect the exchange rate and interest rate risk of the loan.

The basis of APR calculated on HUF loan with spread rate of 3%:

Amount of the loan:	HUF 500.000
Tenor:	1 year
Annual interest rate:	1-year BUBOR + 3% (presently: 3.27%)
Account maintenance fee:	HUF 259/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: HUF 516,577
Total fee of credit:	HUF 524,685
APR:	5.00%

The basis of APR calculated on HUF loan with spread rate of 5%:

Amount of the loan:	HUF 500.000
Tenor:	1 year
Annual interest rate:	1-year BUBOR + 3% (presently: 5.27%)
Account maintenance fee:	HUF 259/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: HUF 526,716
Total fee of credit:	HUF 534,824
APR:	7.06%

The basis of APR calculated on EUR loan with spread rate of 3%:

Amount of the loan:	EUR 1,638.70 (305.12 HUF/EUR)
Tenor:	1 year
Annual interest rate:	1-year EUR LIBOR + 3% (presently: 2.79%)
Account maintenance fee:	EUR 1.05/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: EUR 1,685
Total fee of credit:	EUR 1,714.04
APR:	4.66%

The basis of APR calculated on EUR loan with spread rate of 5%:

Amount of the loan:	EUR 1,638.70 (305.12 HUF/EUR)
Tenor:	1 year
Annual interest rate:	1-year EUR LIBOR + 5% (presently: 4.79%)
Account maintenance fee:	EUR 1.05/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: EUR 1,718.28
Total fee of credit:	EUR 1,747.27
APR:	6.72%

The basis of APR calculated on USD loan with spread rate of 3%:

Amount of the loan:	USD 1,948.94 (256.55 HUF/USD)
Tenor:	1 year
Annual interest rate:	1-year USD LIBOR + 3% (presently: 4.71%)
Account maintenance fee:	EUR 1.05/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: USD 2,078
Total fee of credit:	USD 2,076.50
APR:	6.64%

The basis of APR calculated on USD loan with spread rate of 5%:

Amount of the loan:	USD 1,948.94 (256.55 HUF/USD)
Tenor:	1 year
Annual interest rate:	1-year USD LIBOR + 3% (presently: 6.71%)
Account maintenance fee:	EUR 1.05/month
Handling fee (onetime fee):	HUF 5,000
Monthly installment:	Principal and interest payment at maturity: USD 2,081.53
Total fee of credit:	USD 2,116
APR:	8.70%

<sup>7</sup> The calculation of the applicable credit in case of HUF credit and foreign currency collateral is to be made at buying exchange rate, in case of foreign currency credit and HUF collateral is to be made at selling exchange rate

<sup>8</sup> The maturity date of government securities collateral must not be later than that of the collateral, but at most 12-month

<sup>9</sup> Interest rate on late payments must not exceed the one of the half times of the annual interest rate determined in loan contract +3% and cannot be higher than the maximum rate of APR determined in Section 17/F of the Act 162 of 2009.

## **Product Description**

Regarding cash deposit or government securities covered loan  
/for retail clients/

**Valid: From October 2, 2017 to the next official change**

Dear Customers,

Please be kindly informed that the KDB Bank Europe Ltd. (hereinafter: Bank) has joined the Code of Conduct, the regulations of which are mandatory for the Bank from 1st December, 2009.

Also call Your kind attention to the National Bank of Hungary's consumer protection homepage and the product descriptions, comparing applications contained therein. Homepage:  
<http://felugyelet.mnb.hu/fogyasztoknak>.

### 1. Purpose of the loan

The payment account liability (hereinafter: cash deposit) or government securities covered loan (henceforth: Loan) is suitable for overcoming a temporary money shortage for those Clients who do not want to miss the due interest of their savings but need prompt financing to settle finances. The Loan can be utilized for any free purpose.

### 2. Entitled for the Loan

The applicant can be an at least 18-years-old individual domestic or foreign person holding a payment account with the KDB Bank. The cash deposit collateral can be placed in HUF or foreign currency as well. In case of securities collateral only the Hungarian government securities issued in HUF can be accepted.

### 3. Tenor

The tenor can be at least 1 year.

In case of government securities collateral the loan maturity date must not exceed the maturity of the collateral.

### 4. Amount of the loan

Minimum amount: **HUF 500,000**

Maximum amount: **HUF 100,000,000** but **at most 80%** of the cash deposit amount or market value of the government securities.

### 5. Repayment

At the time of contracting the Client authorizes the Bank that in case of unpaid interests and principal amount, the Bank settles the debt from the cash deposit or government securities collateral.

During the tenor of the loan there is no usual payment obligation unless for the account keeping fee. The principal amount and interest are to be due at the end of the tenor, in sum.

At the time of contracting the Client authorizes the Bank that in case of unpaid interests and principal amount, the Bank settles the debt from the cash deposit or government securities collateral.

The prepayment is allowed before maturity. In case the prepayment initiated not from the collateral, fee – indicated in the condition list – shall be paid.

### 6. Fees, commissions, interests

The "List of Conditions for retail clients regarding cash deposit or government securities covered loan" contains conditions for the Credit line, interests, costs, types of charges, its calculation method, amount and due date and the "List of conditions of KDB Basic account package for private persons" and "List of conditions for investment services" contain terms and conditions in regards to payment and securities account opening. They can be found in open areas of the branches and on our website.

The above data are of indicative character, the Bank reserves the right for modification. For detailed information please turn to one of our branches or call KDB Contact.