Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product name: Cross Currency Interest Rate Swap

Name of the PRIIPs KID Manufacturer: OTP Bank Plc. **Date of Production**: 1/24/2019

https://www.otpbank.hu Call +36-1-288-7540 for more information

Competent Authority:
Hungarian National Bank

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type: Cross Currency Interest Rate Swap

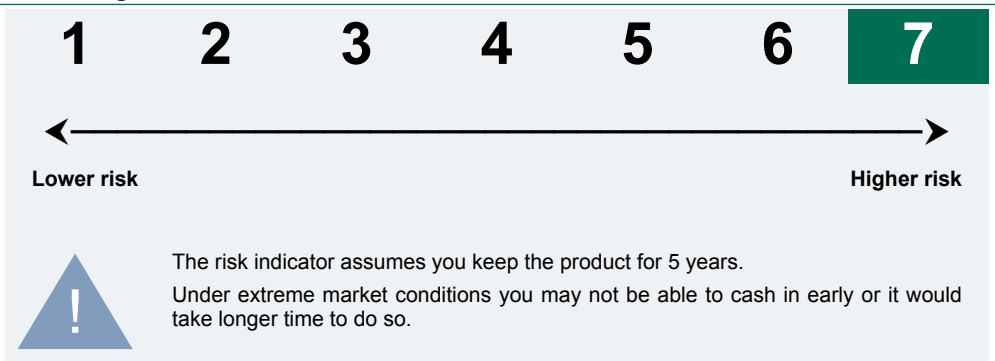
Objectives: Cross Currency Interest Rate Swaps are binding agreements to exchange interest payments and notional in one currency to interest payments and notional in another currency based on a pre-agreed amount (notional amount) on future dates (settlement dates) that are defined upon trade conclusion. The exchange of notionals take place at the beginning (initial exchange date) and at the end (final exchange date), whereas the interest payments are done on the pre-agreed frequency.

Tenor	5 years	Amortization type	Bullet
Bank Currency	EUR	Customer Currency	HUF
Bank initial exchange amount	10,000.0	Counterparty initial exchange amount	3,180,450.0
Bank pays	Fixed Rate	Counterpart pays	Floating Rate
Frequency	Annually	Frequency	Semi-Annually
Coupon	2.61%		

Intended retail investor: This product, Cross Currency Interest Rate Swap, is aimed at retail clients, who are interested in hedging and who have a medium term investment horizon of between 3 and 5 years. The Cross Currency Interest Rate Swap is a product for advanced investor with good knowledge of and/or experience with financial products. The investor can bear losses beyond the invested amount and puts no emphasis on capital protection.

What are the risks and what could I get in return?*

Risk indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 7 out of 7, which is the highest risk class.

This rates the potential losses from future performance at a very high level, and extreme market conditions are very likely to impact the capacity of OTP Bank Plc. to pay you.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

* Further details can be found in the 'How long should I hold it and can I take money out early?' section of this document.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Performance scenarios

Investment of EUR 10,000* Scenarios		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	EUR -1,744	EUR -1,234	EUR -1,996
	Average return each year	-17.27%	-4.29%	-4.35%
Unfavourable scenario	What you might get back after costs	EUR 1,240	EUR 723	EUR 356
	Average return each year	12.26%	2.35%	0.70%
Moderate scenario	What you might get back after costs	EUR 1,923	EUR 1,981	EUR 2,008
	Average return each year	19.00%	6.20%	3.72%
Favourable scenario	What you might get back after costs	EUR 2,627	EUR 3,097	EUR 3,420
	Average return each year	25.95%	9.39%	6.05%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest EUR 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation of extreme market conditions where we are not able to pay you.

Under extreme market conditions it could happen that this product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the recommended holding period. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do so.

The figures shown include all the costs of the product itself, and include the costs of your service provider.

The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if OTP Bank Plc. is unable to pay out?

In case OTP Bank Plc is placed under resolution proceedings, the client's claim against the bank arising from the product may be fully or partially written off and/or converted to ordinary shares of OTP Bank Plc by the resolution authority. If losses of the client under the resolution proceedings exceed losses that would have been suffered in case of OTP Bank Plc's liquidation under normal insolvency proceedings, the client is entitled to compensation paid by the Resolution Fund. The compensation shall be equal to the difference between losses suffered under resolution and liquidation. In the absence of resolution proceeding – if the OTP Bank Plc is insolvent – the National Bank of Hungary withdraws OTP Bank Plc's activity license and the competent court orders the liquidation proceeding against OTP Bank Plc. Under the liquidation proceeding – if the derivatives contract contains a contractual netting clause – the creditor is entitled to execute its rights under the contractual netting. If the creditor has claim against OTP Bank Plc after the netting or in the absence of netting, then the creditor has the right to file its claim to the appointed liquidator in due course. Upon this application the liquidator shall register the undisputed claim and shall pay the claim in that order and in time as prescribed by the law if the property under liquidation is sufficient to execute this payment. In the absence of sufficient property, the liquidator shall certify to the creditor that the claim will not be satisfied.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account the one-off costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest EUR 10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment of EUR 10,000	If you cash in at the recommended holding period
Total costs	EUR 27.13
Impact on return (RIY) per year	0.06 %

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- What the different cost categories mean.

*The calculation is based on a notional of EUR 10,000.

This table shows the impact on return per year			
One-off costs	Entry costs	0.06%	The impact of the costs already included in the price. This includes the costs of distribution of your product.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.

How long should I hold it and can I take money out early?

Recommended holding period: This product is designed to be held to the agreed 5 years date in order to match your investment requirement.

Under extreme market conditions you may not be able to cash in early, and you may have to pay significant extra costs to cash in early. It is a product to be entered into for its term that cannot be easily sold. Early termination may occur (i) if certain events of default or other termination events occur or (ii) at the sole discretion of OTP Bank Plc., in which case early termination payments may apply. Early exit impact: If the product is terminated early, in whole or in part, an Early Termination Payment may become payable by either you or OTP Bank Plc.. The Early Termination Payment is linked to market parameters and could be a substantial loss or gain to you. Settlement on early termination will be specific to your Cross Currency Interest Rate Swap and will be influenced by a number of factors which include but are not limited to: whether it is an increasing or decreasing interest rate environment; the movement of the interest rates since the trade date; the amount affected by the early termination.

The Early Termination Payment amount represents the economic value of what OTP Bank Plc. would have paid or received if the product continued as agreed. Depending on market conditions at the time of the early termination, the settlement calculated could result in a substantial amount being due from you to OTP Bank Plc..

How can I complain?

Internet 0-24 h:

- Under the homepage of OTP Bank Plc: https://www.otpbank.hu/OTP_Portal/online/Kapcsolat.jsp
- By e-mail to: information@otpbank.hu

By Post:

- Postal address: OTP Bank Nyrt. Ügyfélkapcsolati Kompetencia Központ 1876 Budapest

At Bank Offices in opening hours:

- Personally
- By power of Attorney (using the form available in bank offices or on the homepage of the Bank)

Other relevant information

Other relevant information is available via the following website: https://www.otpbank.hu.