

# ANNEX A

## TO THE INVESTMENT SERVICES BUSINESS REGULATIONS

### Global Markets Services General Terms and Conditions<sup>1</sup>

Effective from: **6 May 2025**

Published on: **22 April 2025**

*The following changes have made it necessary to amend the General Terms and Conditions for Global Markets Services:*

- 1. Supplementing the provisions on Global Markets Limit.*
- 2. Addition of provisions on the blocking of securities with KELER for other beneficiaries for the benefit of the Bank or pledging of securities with another third party depositary for the benefit of the Bank.*
- 3. Recording of sanctioning provisions.*

The General Terms and Conditions for Global Markets Services are issued in a manner that is partially unfavourable for the Client:

*- in respect of Section 1 above, pursuant to Section A.I.5.4.d) of the Investment Services Business Regulations,*

*- in respect of Section 3 above, pursuant to Section A.I.5.4.a) of the Investment Services Business Regulations.*

If the Client does not make any written comments or objections within 15 (fifteen) calendar days of the publication of the amendment deemed unfavourable to them, or within 5 (five) calendar days of the publication of the amendments not deemed unfavourable to them, the amendment to the Business Regulations and other terms of the contract shall be deemed accepted by the Client. If the Client no longer wishes to use the Bank's services covered by the Business Regulations as a result of a change in the Business Regulations or other terms of the contract, the Client may terminate the contract for the given service or for all services at any time by giving 15 (fifteen) calendar days' notice in writing or by giving such shorter notice as may be agreed between the Parties, including with immediate effect.

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<sup>1</sup> *The amendments of these Investment Services Business Regulations are highlighted in italics and a grey background.*

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## **A. General provisions**

### **I. Introductory provisions**

These General Terms and Conditions for Global Markets Services cover certain services provided by the Bank to the Client under the GM Framework Agreement or Individual Contract concluded with the Client; namely

- a) certain investment services and brokerage services provided pursuant to the Investment Firms Act,
- b) certain financial services provided under the Credit Institutions Act, and
- c) securities lending services provided under the Capital Market Act.

Unless otherwise provided for in the GM GTC, the other provisions of the Business Regulations shall govern the legal relationship between the Parties without any specific provision to that effect. In the event of any discrepancy between these GM GTC and the other provisions of the Business Regulations, the provisions of the GM GTC shall prevail.

### **1. Global Markets Services**

- 1.1. The Bank provides the Client with the Global Markets Services listed in Annex A.1 of the Business Regulations, pursuant to these GM GTC and in accordance with the provisions of the GM Framework Agreement.

### **2. Rules governing the legal relationship between the Bank and the Client**

- 2.1. Unless otherwise provided by the Parties in the GM Framework Agreement, the conclusion of the GM Framework Agreement is subject to the Client having a Payment Account with the Bank, and in the case of certain Global Markets Services, a Foreign Currency Account and/or a Consolidated Securities Account.
- 2.2. In the case of natural persons, the Bank shall conclude a GM Framework Agreement, Individual Contract and Individual Transaction only with a person of legal age and full legal capacity as a Client.
- 2.3. In the case of a Client who is a consumer, where the Bank limits or excludes its liability in these GM GTC, this does not constitute a limitation or exclusion of the Client's (as consumer's) statutory rights in the event of the Bank's breach of contract.
- 2.4. None of the provisions in these GM GTC was intended to change the burden of proof to the detriment of the consumer; any provisions to the contrary shall not be applicable to the consumer.
- 2.5. Where the Bank excludes or limits its liability for breach of contract or damages in the GM GTC, this does not exclude liability for intentional breach of contract or damages.

- 2.6. Some of the rights granted to the Bank in the GM GTC and the GM Framework Agreement may be exercised as a result of an assessment or choice. In most cases, the assessment can be carried out using different methods yielding various results, and the choice may be the result of using different sources. Choosing the assessment method or the sources is the exclusive right of the Bank which is expressly accepted by the Client. The Client has the right to object to the method or source used by the Bank if it is undoubtedly incorrect or misleading (i.e. not because another method or source would have been more favourable to the Client), in respect of which the burden of proof is on the Client (not including a Client who is a consumer). The Bank will only provide information on the method used in a given case at the express written request of the Client.

### **3. Structure of the GM GTC**

- 3.1. This document consists of two main parts. The general part contains the general provisions applicable to the legal relationship between the Bank and the Client, while the specific part contains the specific provisions applicable to certain Global Markets Services.
- 3.2. The GM GTC describe the Global Markets Services in general terms and do not distinguish according to the Client categorisations regulated in the Investment Firms Act; so the provisions of the GM GTC apply to the relationship with Retail Clients, Professional Clients and Eligible Counterparties alike. The categorisation of the Client under the Investment Firms Act, the specificities resulting from this categorisation and any specific provisions are set out in the Business Regulations, the GM Framework Agreement or the Individual Contract.
- 3.3. Annex A.1, which forms part of the Business Regulations, sets out the terms and conditions of the Global Markets Services, the contractual terms and the possible options as regards the clients. A list of Collaterals eligible as security and their collateral values, as well as the amount of the secured claim and the initial collateral (initial margin) requirement for certain Global Markets Services shall be made available in a Collateral Announcement.

### **4. Additional announcements and information notes on Global Markets Services**

- 4.1. Please note that EMIR contains requirements for both the Bank and its counterparties, with which compliance and cooperation is an obligation for both parties, given that EMIR is a directly applicable legal source in all Member States of the European Union. Certain EMIR requirements to be complied with are specified in the EMIR Announcement. Further information for the Client is provided in the EMIR Client Information Note.
- 4.2. In the context of the Bank's reporting obligations under MiFIR, the Bank must also keep records of information relating to the Client and provide them to the competent supervisory authority and the relevant trading venue. Further

information on this may be found in the Bank's relevant information announcement.

- 4.3. The Global Markets Service may also be provided to the Client through Trading-Communication Platforms under the GM Framework Agreement, a separate agreement and an Individual Contract.

## **II. General Conditions of Contracts**

### **1. General features of the GM Framework Agreement and separate agreements, Individual Contract**

- 1.1. The GM Framework Agreement is a written agreement pertaining to the legal relationship between the Bank and the Client and concluded in accordance with the Business Regulations, thereby enabling the Parties to only negotiate the terms of an Individual Transaction that may vary for each occasion. The GM Framework Agreement is concluded by default on the basis of a Standard Global Markets Framework Agreement template. The GM Framework Agreement may also be concluded as an Individual Global Markets Framework Agreement, with specific content for certain contractual provisions, if the Parties mutually agree.
- 1.2. The Bank is also entitled to indicate in these GM GTC or in the Product Information or other Announcements default transaction parameters which are a condition of the agreement concluded in respect of an Individual Transaction when placing an order for certain Global Markets Services used by the Client, unless otherwise agreed by the parties.
- 1.3. The conclusion of the GM Framework Agreement as set out above does not imply that the Parties shall make certain statements related to or necessary for the use of the Global Markets Services, in particular the consent to certain information and the definition of default transaction parameters pursuant to Section A.II.1.2, by other means of communication and by using tools that constitute a durable medium (in particular, recorded telephone conversations, e-mail messages). Unless otherwise provided by mandatory law, the declarations made in this way shall be deemed to be validly made and applicable to the legal relationship between the Parties.
- 1.4. Unless otherwise provided by the Parties in the GM Framework Agreement, the Client may use all Global Markets Services covered by the Business Regulations under the GM Framework Agreement upon the conclusion of a relevant Individual Transaction. The Client must indicate in the GM Framework Agreement or, where applicable, in the Annex thereto, the Global Markets Services that they require. Exceptions to this rule include Clients who are natural persons.
- 1.5. However, the conclusion of the GM Framework Agreement does not present an obligation to engage in an Individual Transaction for either the Bank or for the Client; accordingly none of the parties shall be obliged to conclude an individual transaction based on the Framework Agreement. Following the

conclusion of the GM Framework Agreement and before an Individual Transaction is concluded, the Bank may, upon the Client's request, release pricing information that does not constitute an Offer.

- 1.6. The Bank and the Client may agree to use the Global Markets Service(s) under a separate contract in the absence of a GM Framework Agreement. In this case, the Client may only use the Global Markets Service specified in the separate agreement, with the understanding that the conclusion of the separate agreement does not create any obligation for either the Bank or the Client to conclude an Individual Transaction for the Global Markets Service under the separate agreement, and therefore neither party shall be obliged to conclude an Individual Transaction for the Global Markets Service under the separate agreement. Otherwise, the separate agreement shall be mutatis mutandis governed by the provisions of the GM GTC applicable to the GM Framework Agreement, while the Individual Transaction for Global Markets Services concluded under the separate agreement shall be governed by the provisions of the GM GTC applicable to Individual Transactions.

## **2. Global Markets Services used by a Client who is a natural person**

The scope of the GM Framework Agreement for a Client who is a natural person includes all Global Markets Services available at any time to natural persons covered by the GM GTC, which are listed in Annex A.1 of the Business Regulations. In the case of a Client who is a natural person, no restriction on the Global Markets Services may be granted in the GM Framework Agreement, unless otherwise agreed in an Individual Global Markets Framework Agreement.

- 2.1. Subject to the restrictions set out in the Investment Firms Act, in the case of a Client who is a natural person or a sole trader or a small-scale agricultural producer, if the Client is a retail client, the Bank does not provide Global Markets Services where the opening and maintenance of the position would require the provision of security involving the transfer of ownership.

## **3. Providing information to the Client**

- 3.1. Additional regulations about the prior and ex-post information to be provided to Clients, Client categorisation and the obligation to obtain prior information are contained in the Business Regulations.
- 3.2. The detailed description of the Global Markets Services and the prior information on them are contained in the information notes and announcements (e.g. Standard Prior Information Note, Product Information) available on the Bank's website (<https://www.otpbank.hu/portal/hu/GlobalMarkets>). The range of Global Markets Services available to each group of Clients is set out in Annex A.1 of the Business Regulations.
- 3.3. The Bank hereby informs the Clients that the financial assets and funds owned by or belonging to the Client may be placed in a third party omnibus account during the execution of Individual Transactions. **The Bank informs the Client**

**of this possibility and draws the Client's attention, in an explicit and clear manner, to the risks involved, as follows.** The Client acknowledges the Bank's warning that if, in connection with Individual Transactions, funds or financial instruments are placed in an omnibus account managed by a third party, there is a risk that the funds and financial instruments managed in the omnibus account may be used to settle other clients' positions, which may occur in particular if, in the event of significant (hectic) market price movements, other clients holding the position may not cover their own positions. In specific cases, this may have the adverse result for the Client that the funds or financial instruments made available by the Client in connection with the Individual Transaction are used to settle obligations of other clients or the Bank, or that the execution of the Client's instructions is prevented in respect of the financial instruments and funds concerned, in respect of which the Client may only raise objections or claims against the Bank. This is particularly detrimental to the Client if the Bank becomes insolvent, where the Client's access to the assets so used in the insolvency proceedings is limited or non-existent. The risk of handling funds or financial assets in an omnibus account managed by a third party is therefore that the Client may suffer a loss as a result.

- 3.4. The Bank hereby informs the Client that if, in the course of the execution of an Individual Transaction, any financial instrument or funds belonging to or due to the Client are placed in an account for which a law other than the law governing the contract between the Bank and the Client applies, and informs the Client of any resulting deviation from the rules governing the Client's rights and obligations.

#### **4. Authorised Representatives and other representatives**

- 4.1. The Client may act on the basis of the GM Framework Agreement – in the case of a natural person – in person or through a representative authorised to request an offer or conclude a transaction, i.e. the Authorised Representative. The Client may specify in the GM Framework Agreement the Authorised Representatives acting on their behalf. The rights of the Client, subject to the contents and limitations set out in the Business Regulations and these GM GTC and the GM Framework Agreement, may also be exercised by the Authorised Representative acting on behalf of the Client.

Identification of the Authorised Representatives for the purposes of the transaction report

The Client shall indicate whether the Authorised Representative is an internal or external representative for the purposes of the legal requirements for transaction reporting. Taking into account that in the case of natural persons, the Bank shall conclude a GM Framework Agreement, Individual Contract and Individual Transaction only with a person of legal age and full legal capacity as a Client, the Authorised Representative designated by the natural person Client is considered an external representative for the purposes of the legal

requirements for transaction reporting. In case of a Client not qualifying as a natural person, the Client's statutory representatives, executive officers, managers, duly authorised signatories and employed staff shall be regarded as internal representatives in terms of transaction reports, while all other Authorised Representatives shall be regarded as external ones. In the case of a Client who is not a natural person, if the Client does not indicate whether the Authorised Representative is an internal or external representative, the Bank will consider the Client's natural person Contracting Entity to be an internal representative and the Client's natural person Authorised Representative to be an external representative for the purposes of the legal requirements for transaction reporting, unless the Client declares otherwise.

The natural person acting as the Client's Authorised Representative must be of legal age and have full legal capacity.

A non-natural person Client may grant an authorization to act as an Authorised Representative with or without restrictions, in which case the restrictions must be stated in the GM Framework Agreement.

A natural person Client may not grant an authorization to act as an Authorised Representative with restrictions, which means that the Authorised Representative's power of attorney extends to all Global Markets Services contracted by the Client, unless otherwise agreed in the GM Framework Agreement with the specific approval of the Bank.

4.2. The list of the Clients' Authorised Representative(s) and, on the part of the Bank, dealers entitled to give Offers — if appointed by the Bank —, as well as the contents of the authorization given by the Client shall be included in the GM Framework Agreement in conjunction with the GM GTC. The authorisation granted by the Client to the Authorised Representative under the GM Framework Agreement shall cover the following:

- a) to conclude, withdraw or modify (if possible) Individual Transactions for Global Markets Services via Transaction Channels, and to close or terminate the same (if possible),
- b) to receive prior information,
- c) in accordance with the relevant provisions and conditions of the Business Regulations, to provide the Bank with information concerning the Client's categorisation and the information within the scope of obtaining prior information, and to acknowledge the information on the result of obtaining prior information,
- d) for the Bank to disclose to the Authorised Representative information that constitutes bank secrets, securities secrets, tax and trade secrets, personal data, relating to the Client, Global Markets Services, the contracts, bank and securities accounts relating thereto,
- e) to exercise all other rights and to meet obligations of the Client under the GM Framework Agreement and the Individual Transaction (expressly excluding the modification of the GM Framework Agreement)

- f) to designate the Payment Account, Foreign Currency Account or Consolidated Securities Account to be used for the execution and settlement of the Individual Transaction, irrespective of whether they have control over such accounts; and
- g) to establish collateral security, to make a declaration in relation to the collateral security or blocking of a Client's Payment Account, Foreign Currency Account or Consolidated Securities Account in respect of the security for Individual Transactions.

4.3. The authorisation granted to the Authorised Representative by the Client in the GM Framework Agreement or, if any, in the Annex thereto, shall not extend to the following:

- a) to terminate the GM Framework Agreement, the Individual Contract or the separate agreement, conclude an agreement to bypass the password,
- b) to request any report, notice, recorded phone call relevant to the period or date prior to the date when the Authorised Representative named in the GM Framework Agreement of its annex, if any, obtained authorisation for requesting quotes or entering into transactions,
- c) for the disposition of the Client's Consolidated Securities Account and Payment Account, Foreign Currency Account,
- d) to make a declaration of consent of general application in the legal relationship between the Client and the Bank, provided that this shall not preclude the Authorised Representative from making the necessary declarations of consent in respect of the specific Individual Transactions in which they are acting, including in particular those necessary to provide collateral or collateral security.

4.4. The Client shall notify the Bank in writing without delay of any changes in the person of the Authorised Representative, its contact details, internal or external representative status, or scope of their authority, in particular, the revocation or termination of the authority to request offers or conclude transactions. If the identity, contact details or scope of authority of the Authorised Representative changes, the notification shall entail the need to amend the GM Framework Agreement, Individual Contract, separate contract, which amendment shall be applicable after its signature by both parties and its entry into force.

## **5. Conclusion of an Individual Transaction**

5.1. General rules for the conclusion of an Individual Transaction

5.1.1. The Client is entitled to request an Offer from the Bank during Business Hours through the Transaction Channels, including

- a) via recorded phone call at any of the telephone numbers specified in the GM Framework Agreement,
- b) by using the Trading-Communication Platforms, if so provided in the relevant GM Framework Agreement,

- c) through OTP Trader, if so provided in the relevant GM Framework Agreement,

for the conclusion of an Individual Transaction for the Global Markets Service. The Bank is entitled, but not obliged, to make an Offer to the Client at the Client's request.

In the case of acting through an Authorised Representative, the condition for the conclusion of an Individual Transaction is that:

- a) the Client and the Authorised Representative have been identified and
- b) in the case of investment advice, the Authorised Representative has a valid appropriateness test, the Client has been screened for suitability
- c) all information necessary for the conclusion of an Individual Transaction, including, in particular, the national client identifier for Global Markets Services, financial instruments, is available and
- d) the *Authorised Representative* holds authorisation granted by the Client to enter into the given Individual Transaction in accordance with these GM GTC.

For non-natural person Clients, in relation to Global Markets Services, financial instruments, the conclusion of an Individual Transaction is also subject to the Client having a valid LEI code at the time of the Offer and at the time of the conclusion of the Individual Transaction.

The Bank may also provide the opportunity to conclude an Individual Transaction if the Client does not request an Offer during the Business Hours or the Individual Transaction is not concluded during the Business Hours. Unless otherwise agreed between the Client and the Bank in the context of the Individual Transaction, Individual Transactions concluded outside the Business Hours shall be deemed to be concluded on the next banking day. The Bank shall not be liable for any damages suffered by the Client as a result of the fact that the Individual Transaction was concluded outside the Business Hours in accordance with this provision of the GM GTC.

The Bank is entitled to amend the Business Hours without giving any reason, using the procedure set out in the Business Regulations.

#### 5.1.2.

The Client is responsible for ensuring that the Transaction Channels are only used by the Client or the Authorised Representative, and no-one else, for the purpose of concluding transactions. The Bank shall not be liable for any damages incurred by the Client (or in their sphere of interest) as a result of any unauthorised provision of the Client through the Transaction Channels. The Bank invites the Client to

- a) notify the Bank in writing without delay of any change in the eligibility of the Authorised Representatives to conclude transactions (the notification shall be effective against the Bank if the Bank has acknowledged the notification) and

- b) change the code periodically, if the use of the Transaction Channel is subject to the application of a code by the Client,

to acknowledge that any damages resulting from the failure to do so shall be borne solely by the Client.

5.1.3. By acknowledging the GM GTC and signing the GM Framework Agreement, the Client agrees that, unless otherwise provided, the order may be executed by the Bank in split or combined with another order or debited from its own account.

5.1.4. The Bank may provide its Clients with the possibility – under certain conditions – to place orders for individual transaction(s) where the Client has previously entered into an Individual Transaction for the acquisition of ownership of the financial instrument that is the subject of the order and/or the collateral for the order, the settlement of which is in progress and therefore the financial instrument is not yet actually at the Client's disposal, and has not been credited to the Client's securities account. The Bank will accept an order for a financial instrument that is not yet actually available in the following cases:

- a) In the case of an individual transaction(s) executed on Deutsche Börse (Frankfurt) Xetra trading venue, in relation to the financial instrument(s) that are the subject of or underlying the order(s) given by the Client.
- b) In relation to the financial instrument(s) which are the subject of or the collateral for the order(s) placed by the Client who is an institutional investor according to the Capital Market Act, if the order is executed with the use of an execution partner or the order is transmitted to an execution partner for execution.

The Client shall cooperate with the Bank in the execution and settlement of the order placed for a financial instrument not yet actually at their disposal or if the same is used as collateral, as well as any further transaction(s) related to the order, and shall act as is normally expected in the given situation.

The Client expressly accepts that the Bank is entitled to request the Client at any time to provide additional collateral or additional security for the financial instrument not yet available to the Client or for the execution or settlement of an order using the same as collateral.

In the event that the Client fails to perform, fails to perform in full or is late in performing any of their obligations (including, without limitation, any obligation to make any payment, payment of fees, hedging, margin calls, transfer of securities or other financial instruments) under the Individual Contract, the GM Framework Agreement or the Business Regulations, including, without limitation, these GM GTC, and, if the Client is unavailable to the Bank or fails to cooperate, the Bank shall be entitled to proceed in accordance with the provisions of the GM GTC and other provisions of the Business Regulations and the Bank's General Business Regulations and to apply the consequences of default and late performance in order to execute and settle the Individual Transaction(s).

Failure to perform, or incomplete performance, of the Client's obligations, in particular the obligation to provide security, the obligation to provide cover,

within the time limits set out in the Individual Contract, the GM Framework Agreement, the GM GTC or the Bank's notification, shall automatically constitute a default without further notice and without any grace period.

The Bank may, subject to the rules of the relevant regulated market, stock exchange, Other Trading Venue, clearing house, assume the Client's liability in the execution and settlement of the relevant Individual Transaction(s) and any related transaction(s). In the event that the Bank assumes the Client's liability, the Bank does not undertake to ensure that the relevant Individual Transaction(s) will be concluded with the result intended by the Client.

In the event that, due to the non-performance or delayed performance of the financial instrument not yet actually available to the Client, the settlement or performance of the order(s) or further Individual Transaction(s) related to the order(s) concerned with the financial instrument is not performed or is performed late, the Bank may claim from the Client the costs, fees and expenses incurred in the performance or settlement of the Individual Transaction(s) concerned and the consideration for the work and services performed by the Bank, in particular the fees and costs of the acquisition of the financial instrument concerned, as well as compensation for any damage. The Client may not unilaterally terminate their Consolidated Securities Account, Investment Services Framework Agreement and related Payment Account with the Bank – in the case of several relevant currencies, their Foreign Currency Accounts in the relevant currency – until the financial settlement, execution and clearing of the relevant Individual Transaction(s) and the related additional Individual Transaction(s) (including the additional Individual Transaction(s) concluded on the basis of the asset offered as collateral) has been completed.

5.2. Individual Transaction by phone, voice recording

5.2.1. The Client or the Authorised Representative shall use the password specified by the Client in the GM Framework Agreement when requesting the Offer and when concluding the Individual Transaction. The Bank is entitled to consider the person who identifies themselves as the Client or the Authorised Representative on the telephone and uses the password as the Client or the Authorised Representative. The Bank may, but is under no obligation to, request the Client or the Authorised Representative to provide other identification data than the password.

5.2.2. The Eligible Counterparty's express request to waive the password will be recorded by the Bank in a written agreement, and the waiver of the password will only take place after the agreement has been signed. A written agreement to waive the password will be made in the framework of the GM Framework Agreement. Following this agreement, the Bank will refrain from using the password upon the Client's express and recorded request. In this case the Bank shall identify the Client or the Authorised Representative in the course of providing the Individual Transaction or service by checking the Client's and/or Authorised Representative's data registered in the Bank's records, particularly, but not limited to (i) the displayed telephone number, or (ii) the Client's personal, company or organisational data, or (iii) the data pertaining to the

Client's financial instrument portfolio with the Client or the Authorised Representative.

For Retail Clients and Professional Clients, no agreement to waive the password is possible.

The increased risks of not using a code word are the following: if the password is not used, given that the Bank identifies the Client or the Authorised Representative solely on the basis of the data specified in this Section, there is a greater risk of unauthorised transactions being concluded on behalf of the Client, for which the Bank is not liable. This risk may be increased in the event of a failure in the telephone service provider's systems for the telephone number displayed. The Client may suffer damage as a result of the unauthorised conclusion of a transaction. In the event the password is not used, the following actions by the Client and/or the Authorised Representative shall qualify as severe breach of contract by the Client:

- a) non-compliance with the obligations specified in Section A.II.5.1.2,
- b) non-compliance with the obligations specified in Section A.II.4.3 or A.II.4.4,
- c) using a telephone where the display of phone number is suppressed,
- d) fails to inform the Bank of the changes in their data registered with the Bank immediately, in writing, or
- e) the data used by the Bank for the identification of the Client are obtained by an unauthorised person and the Client fails to report this immediately to the Bank in writing.

5.2.3. Without prejudice to the validity of the following sentence, when concluding a Transaction by telephone, the Parties may agree on information concerning the Individual Transaction in one or more telephone conversations and, pursuant to Section A.II.5.2.5, may also agree on the terms and conditions of the Transaction separately by e-mail. However, an Individual Transaction over the telephone shall only be concluded if and only if, during the telephone conversation or during the transaction procedure pursuant to Section A.II.5.2.5, the Bank makes an Offer to the Client or the Authorised Representative upon their request for Offer and the Client or the Authorised Representative accepts the Offer in its entirety and without modification during the telephone conversation. These telephone conversations, together with the e-mail exchanges sent during the transaction process under Section A.II.5.2.5, jointly contain the relevant communications relating to the conclusion of the transaction. The Bank is no longer bound by the Offer if the Client or the Authorised Representative does not accept the Offer in full or accepts it with modifications during the telephone conversation. Until the Offer is accepted, the Bank is entitled to modify or withdraw its Offer.

5.2.4. The Bank must make an audio recording of the statements made during the conclusion of the transaction and of the objections made by the Client or the Authorised Representative over the telephone. When making the voice recording, the Bank is entitled to record the telephone conversation concerning

the Individual Transaction in several parts, in case of a clear reference to the content of the previous recorded telephone conversation between the Bank and the Client or for technical reasons, including the case when the Bank records only the details containing information on the content of the telephone conversation, while the details containing no information (when neither party speaks) are not recorded. For Clients not qualifying as consumers, the Parties agree that they shall deem governing the recordings created by the Bank in respect of the coming into existence and the contents of the given Individual Transaction, as well as of the occurrence and contents of the objection, and the Client may prove the contrary against such recordings. In the case of a Client who is a consumer, the Parties agree that the Bank may use the audio recording made by the Bank as evidence of the conclusion and content of the Individual Transaction, the making and content of the objection, against which the Client may present counter-evidence. The Client understands that the objection does not constitute a complaint under the Investment Firms Act, so the procedural rules on complaint handling do not apply to the objection.

5.2.5. Conclusion of an Individual Transaction using a combination of phone and email

If the Individual Transaction is concluded by telephone pursuant to Section A.II.5.2 of these GM GTC and the parties expressly agree to this during the telephone conversation, the transaction terms set out in these GM GTC in relation to the conclusion of the Individual Transaction may be agreed in the form of an e-mail message sent during or prior to the telephone conversation, which the Client accepts together with the other terms of the Individual Transaction during the telephone conversation. An Individual Transaction concluded using a combination of telephone and e-mail messages shall be considered an Individual Transaction concluded by telephone for the purposes of the Business Regulations and these GM GTC.

5.2.6. The negotiation of the transaction terms pursuant to Section A.II.5.2.5 of the GM GTC, is possible only by the Client or the Authorised Representative from the e-mail address specified in the GM Framework Agreement by sending an e-mail message to the e-mail address of each of its authorised dealers indicated on the Bank's website.

5.2.7. The Bank hereby informs the Client that, given the nature of e-mail as a communication channel, data sent by e-mail may become accessible to unauthorised third parties even through no fault by the Bank; the Bank is therefore unable to accept liability for any damage that may arise in relation thereto. The Bank shall be entitled to consider as a valid declaration by the Client, without any further verification, e-mails whose header contains the e-mail address indicated in the GM Framework Agreement for the Client as the sender (after the "FROM" field) and which contain the simple indication of the name (signature) of the Client or the Authorised Representative. The Bank excludes any liability arising from the fact that the Client or the Authorised Representative, when concluding a transaction pursuant to Section A.II.5.2.5. of the GM GTC, send e-mail messages from e-mail addresses other than those

included in the GM Framework Agreement. The Client shall be liable for any damage resulting from this.

5.3. Individual Transaction via the Trading-Communication Platform

5.3.1. In the case of concluding a separate agreement, the Bank shall allow the Client to use the Trading-Communication Platforms listed in Annex A.1 of the Business Regulations, if the Parties so provide in the GM Framework Agreement and the Client confirms to the Bank by signing the GM Framework Agreement that they have the appropriate rights to use the given Trading and Communication Platform. If these conditions are met, the Trading-Communication Platform indicated in the GM Framework Agreement may be used for the following:

- a) the Client can request an Offer from the Bank by sending a message on the Trading and Communication Platform,
- b) the Bank may make an Offer to the Client by sending a message to the Client via the Trading and Communication Platform,
- c) the Client may accept the Offer via the Trading and Communication Platform,

on the basis of which the Parties may conclude the Individual Transaction by exchanging messages on the Trading and Communication Platform.

Trading-Communication Platforms are computer systems that provide access for market participants. The Trading-Communication Platforms' bidding interface is a quoting and messaging service and a real-time chat form. The bidding interface of the Trading-Communication Platforms provides for online communication between participants via the Trading and Communication Platforms for users clearly identified by the platform operator.

The Trading-Communication Platforms provide the possibility, in accordance with the market conventions applied, for the Offer to be requested by the Client by short form and to be provided by the Bank by short form. Requesting and submitting an Offer by short form means that the parties omit the quantitative indication of the financial instrument concerned by the Offer (number of units, contract, etc.) and the currency when determining the limit price. In such a case, the quantity of the financial instrument is to be understood in "pieces" and the currency is the currency of the financial instrument. The Client is entitled to request an Offer by short form if this does not affect the request or the clarity of the Offer. Offers can be requested and made by short form through messages sent through the Trading-Communication Platforms, RFQ messages and, in addition to these, chat messages sent through the Bloomberg system only. By submitting their Offer by short form, in particular, but not exclusively, by submitting an Offer via the Bloomberg chat platform, the Client expressly acknowledges the risks involved and that the Bank excludes its liability for any damage that may arise due to the ambiguity or inaccuracy of the Offer.

The Client is aware of the risks (in particular, but not limited to, IT security, privacy, confidentiality risks) of the messages sent on the Trading-Communication Platforms and expressly acknowledges them. The Bank shall not be liable for any damage resulting from the ambiguity or inaccuracy of the request for an offer or the Offer sent via the Trading-Communication Platforms. In the event of an incomplete, inaccurate or ambiguous request for an offer, the Bank will not make an offer.

If, in the Bank's opinion, the Client's request for an offer sent by short form is incomplete, inaccurate or ambiguous, the Bank shall not be liable for any damages resulting therefrom. The conclusion of transactions on the Trading-Communication Platform by the Client is possible only by the Client or the Authorised Representative from a unique identifier defined by the relevant system operator, through the relevant system, by means of an electronic message sent to the dealer indicated as the authorised contact person on the Bank's website, to the unique identifier valid in the relevant system, through the relevant system.

- 5.3.2. The Bank shall be entitled to consider as a valid declaration by the Client, without any further investigation, any message containing on the Trading-Communication Platform the unique identifier specified for the Client in the GM Framework Agreement. The Bank excludes its liability for the case where, when concluding a transaction on behalf of the Client on the Trading-Communication Platform, a person other than the person authorised by the Client makes a declaration on behalf of the Client using the unique identifier specified in the GM Framework Agreement. The Client shall be liable for any damage resulting from this.
- 5.3.3. In the case of a transaction concluded on the Trading-Communication Platform, the conclusion of the Individual Transaction is conditional upon the Client or the Authorised Representative accepting the Bank's Offer in full and without modification in a message sent from the unique identifier provided in the GM Framework Agreement for the Client to the unique identifier of the Bank's dealer designated as the authorised contact on the Bank's website. The Offer is valid until revoked.
- 5.3.4. The Bank draws the Client's attention to the fact that, due to the specific nature of the Trading-Communication Platforms, data sent through the system may be made available to unauthorised third parties even through no fault of the Bank, and therefore the Bank shall not be liable for any damage resulting from this. The availability of, and liability for, the Trading-Communication Platforms shall be governed by the contractual provisions applicable to the use of the relevant system, for which the Bank shall not assume any liability.
- 5.4. Individual Transactions via OTP Trader
  - 5.4.1. OTP Trader is a computer system provided by the Bank to the Client for the sole purpose of concluding Spot Foreign Exchange and Forward Foreign Exchange Transactions via the Internet for the Client's use. The Bank does not provide any investment advisory services on the OTP Trader platform, so the Individual Transaction concluded on OTP Trader is not covered by the

investment advisory service even if the Client is entitled to receive investment advisory services under the Global Markets Framework Agreement.

If so agreed by the parties in the GM Framework Agreement, the Client is entitled to enter into an Individual Transaction for Spot Foreign Exchange Transactions or Forward Foreign Exchange Transactions through OTP Trader with the Bank under the terms and conditions set out in this Chapter. Natural person Clients are not allowed to use the OTP Trader system. The Bank may decide to limit the scope of Individual Transactions that can be concluded on OTP Trader.

- 5.4.2. This Chapter of the GM GTC defines, in accordance with the pertinent User Manual, the general terms and conditions for the use and operation of OTP Trader, thus allowing for
- a) the Client to keep track of informative spot and futures currency exchange rates made available on OTP Trader by the Bank;
  - b) the Parties to engage, via the Internet and on the basis of their existing GM Framework Agreement, in OTP Trader Individual Transactions;
  - c) the Client to keep track of their Individual Transactions already concluded on OTP Trader in the OTP Trader database.
- 5.4.3. The Parties agree that if the Client is entitled to use OTP Trader under the GM Framework Agreement, the rules for Spot Foreign Exchange Transactions and Forward Foreign Exchange Transactions shall apply to the OTP Trader Individual Transactions, subject to the exceptions set out in this Chapter.
- 5.4.4. The Parties expressly stipulate that the exchange rates published by the Bank in OTP Trader are exclusively of informative nature, and the Bank shall not be bound by them in the course of making an Offer.
- 5.4.5. The Client may log in as specified in the User Manual by entering the identification and password provided to the Client by the Bank, with the proviso that the Client must change the password provided by the Bank upon first access to OTP Trader. The Bank may request the Client to provide further identification details apart from the identifier and password, but under no circumstances shall it be obliged to do so. The Bank shall not be liable for any damages incurred by the Client or in their sphere of interest as a result of any unauthorised provision of the Client through OTP Trader. The Bank invites the Client to change the password periodically, and any damages resulting from failure to do so shall be borne solely by the Client. The Parties agree that the Bank shall be entitled to consider the person who has logged in to OTP Trader on behalf of the Client as the Client's representative with full authority to conclude transactions.
- 5.4.6. An Individual Transaction on OTP Trader is concluded when the Bank makes an Offer through OTP Trader in response to the Client's invitation to make an Offer as set out in the User Manual and the Client accepts the Offer in full and without modification through OTP Trader. The Bank is no longer bound to its Offer if the Client does not accept the Offer within the time period during which it may do so in accordance with these GM GTC or the User Manual. Until the

Offer is accepted, the Bank is entitled to modify or withdraw its Offer. Once accepted, neither of the Parties may withdraw, modify nor rescind the Offer.

- 5.4.7. The Client's request for offer determines the direction (sell or buy, currency) and the volume of the Individual Transaction entered into on the OTP Trader, i.e. the direction (spot/term sale or spot/term purchase of a currency) and the volume of a given Spot/Forward Foreign Exchange Transaction are to be judged from the Client's perspective on the basis of the Client's request for offer.
- 5.4.8. The Client shall use OTP Trader in accordance with the User Manual provided by the Bank. The Client shall keep their identification data secure, ensuring that unauthorised persons cannot access them. The Client shall notify the Bank immediately if the data concerning their identification has been or may have been disclosed to a third party. The notification is effective against the Bank when the Bank has confirmed receipt of the notification. The Client shall fully comply with the requirements concerning their secure identification. If, in the Bank's opinion, there is a suspicion of abuse of OTP Trader, the Bank is entitled – but not obliged – to block the Client's access to OTP Trader, while notifying the Client. In this case, the blocking may be lifted only after consultation with the Client and with the Client's written consent. The Bank shall not be liable for any damages incurred by the Client as a result of blocking access to OTP Trader in connection with the given identifier.
- 5.4.9. The Client shall be liable for any damage occurring prior to the notification and confirmation of the notification as set out in the previous paragraph. The Bank shall be liable for any damage caused after the notification, provided that the Bank shall be exempted from liability if it proves that the damage was caused by the Client's intentional or grossly negligent conduct and proves that it has taken all measures that can be expected in order to prevent further use of the service after the notification. The Bank shall consider as intentional or grossly negligent conduct of the Client any active conduct or omission of the Client which is contrary to the fulfilment of the Client's obligation regarding the secure management of OTP Trader and the identifiers, and as a result of which the Client or the Bank suffers damage or the possibility of such damage.
- 5.4.10. The Bank hereby informs the Client that, due to the malfunction or the very nature of OTP Trader operating via an internet platform as a communication channel, data sent via OTP Trader may become accessible to unauthorised third parties due to reasons even through no fault of OTP Bank; therefore, the Bank shall not accept liability for any damage that may arise in relation thereto. The Bank draws the Client's attention to the fact that OTP Trader is not available outside Business Hours and has a limited range of services available to the Client.
- 5.4.11. The Bank shall be entitled to terminate the use of OTP Trader with immediate effect by notifying the Client at the same time, or to suspend it for an indefinite period of time, if the Client commits any conduct or omission which, in the Bank's opinion, endangers the operation of OTP Trader or its use by another Client, in particular if the Client does not use OTP Trader as intended or in accordance with the provisions of this Chapter or the User Manual.

- 5.4.12. If the order submitted by the Client using OTP Trader services is performed despite the unavailability of sufficient coverage, the legal consequences set forth in the Business Regulations regarding insufficient account coverage shall apply.
- 5.4.13. The Bank is entitled to stop OTP Trader at any time without prior notice to the Client. The Client acknowledges and accepts that in the event of OTP Trader's downtime, the Individual Transaction between the Bank and the Client may be concluded in accordance with these GM GTC by telephone or, if the Bank and the Client have separately agreed on this in the GM Framework Agreement, by e-mail.
- 5.5. The conclusion of an Individual Transaction between the Bank and the Client requires, in all cases, the agreement of the parties on the material terms of the Individual Transaction. Agreement on all or part of the material terms and conditions may be made by reference to a previous transaction between the parties prior to the conclusion of the Individual Transaction or to the general practice of the parties in entering into transactions and, in the case of standardised transactions, by reference to the relevant exchange or clearing house standard or regulation, which is clear to the parties. Furthermore, unless otherwise agreed by the parties, the terms and conditions set out as default transaction parameters under these GM GTC or the Product Information or the relevant announcement, or any other provisions applicable under the Business Regulations, the GM GTC or the Bank's announcement, shall also become part of the Individual Transaction.
- 5.6. Unless otherwise specifically agreed by the Parties in respect of the amount of the Secured Claim required to be secured with collateral security in respect of an Individual Transaction under these GM GTC or the type and amount of security (Base Collateral, Variation Collateral or other Supplementary Collateral), the provisions of the Collateral Announcement shall prevail and be the agreement between the Parties.
- 5.7. If the Client has more than one securities account or Payment Account/Foreign Currency Account and does not specify the accounts involved in the execution and settlement of the Individual Transaction in the framework of the order for the Individual Transaction, the lack of agreement on the accounts shall not affect the conclusion of the Individual Transaction and the Bank shall be entitled to execute the Individual Transaction on any of the Client's Consolidated Securities Account, Payment Account, Foreign Currency Account or other securities account or client account on which adequate funds are available. The Bank shall not be liable for any claim for damages by the Client in this respect, which the Bank expressly excludes.

## **6. *Confirmation of the conclusion of concluded Individual Transactions***

### **6.1. General rules**

- 6.1.1. In order to document in writing the concluded and executed Individual Transaction, the Bank shall, no later than on the banking business day following the day of conclusion of the transaction, issue a confirmation of the

Individual Transaction, which shall be sent to the person specified in the GM Framework Agreement by the Bank, at the Bank's option, within the scope defined by the mandatory applicable legislation:

- a) by fax,
- b) by post or
- c) by electronic means.

The Bank shall send the confirmation primarily by electronic means, by sending a message to the e-mail address provided by the Client. *Failure to send the confirmation does not affect the validity and enforceability of the Individual Transaction.*

6.1.2. If a shorter time period is available for sending a confirmation in relation to an Individual Transaction than the general provisions set out in the preceding paragraph, this will be set out in the specific section of these GM GTC in the relevant section for the Global Markets Service.

6.1.3. Once delivered, the Client shall, immediately upon delivery but on the date when the confirmation is forwarded by the Bank at the latest:

- a) endorse the confirmation with their authorised company signature or, in case of natural persons, with the signature of two official witnesses. In any other cases, the signature shall be in accordance with legislation pertaining to the specific organisation. Additionally, the Client shall
- b) send the confirmation to the Bank by fax (+36-1/298-4501) or by e-mail ([confirmation@otpbank.hu](mailto:confirmation@otpbank.hu)).

In case of non-performance of this obligation or performance not in conformity with the contract, the Bank is entitled to consider that the Client has irrevocably accepted the confirmation and the Individual Transaction contained therein in its entirety and with the content contained therein. Failure to return the confirmation is not a Closing Event and is not a serious breach of contract.

6.1.4. The Client may object to the content of the confirmation by sending an e-mail message to the e-mail address of any of the Bank's dealers authorised to act as contact persons. Such objection may only challenge the fact that the confirmation contained terms different from those in relation to which the Parties concluded an agreement for an Individual Transaction via the Transaction Channel. In this case, the Parties shall immediately examine the telephone conversation and electronic communication recorded by the Bank at the time of the conclusion of the transaction, and shall jointly agree on the circumstances and facts established. If the Client so requests, mutually signed minutes shall be made of the circumstances established and the result of the consultation. The Parties may conduct the consultation orally or by other electronic means. The Individual Transaction shall be considered concluded according to the conditions identified in the minutes, in a recorded telephone call or by some other electronic means and as per the data included in the confirmation sent by the Bank. If, in the Bank's opinion, it is not possible to carry out the procedure for the investigation of the objection pursuant to this

Section on the day of the conclusion of the transaction, the Bank is entitled to withdraw from the concluded Individual Transaction with immediate effect.

6.1.5. Modification, revocation and termination of Individual Transactions

6.1.5.1 The Client is entitled to initiate the modification, revocation or termination of the Individual Transaction according to the rules set out in Chapter A.II.5. The modification or revocation or termination of an Individual Transaction is effected by the Bank's acceptance of the Client's modification or revocation or termination, which the Bank is obliged to do if (i) the modification, revocation or termination is possible (in particular, it is not possible to modify, revoke or terminate executed orders), (ii) the modification relates to a transaction parameter the modification of which is allowed according to the Trading Rules, (iii) the request for modification, revocation or termination has been received by the Bank at a time so that, taking into account the provisions of the Trading Rules and the Bank's systems and resources, the modification or cancellation can be implemented in the trading venue's or the Execution Partner's system. In the event of a deletion, the Bank sends a confirmation of deletion and in the event of a modification, a confirmation of deletion and a new order.

6.1.5.2 The Client is responsible for the prompt delivery to the Bank of the declaration of modification, revocation or termination of the Individual Transaction. The Bank may determine a specific deadline for the modification, revocation or termination of specific transactions.

6.1.5.3 The Bank's records shall be decisive for the time of commencement of the execution of the contract or order.

6.1.5.4 All costs and damages resulting from the modification, revocation or termination of the Individual Transaction shall be borne by the Client. The Bank may charge the Client for any costs or damages incurred as a result of the modification, revocation or termination of the Individual Transaction. The Bank may charge a fee for the modification, revocation or termination of an Individual Transaction.

6.2. Documentation of Individual Transactions on OTP Trader

6.2.1. In order to document the Individual Transactions concluded through the OTP Trader system, the Bank shall record and store electronically the data of any request for offer, Offer, its acceptance and the resulting Individual Transactions made through OTP Trader during the conclusion of the transaction. Individual Transaction data recorded and stored in the OTP Trader database may be accessed by the Client in accordance with the User Manual and in the format stipulated therein.

6.2.2. The parties expressly stipulate that the Client expressly accepts the authenticity, accuracy and factuality of the data recorded and stored in the OTP Trader database – in particular, whether a given Spot Foreign Exchange Transaction / Forward Foreign Exchange Transaction has been concluded and with what content – and may not raise any objections in connection therewith, and expressly waives this right unconditionally and irrevocably.

## **7. Collateral**

- 7.1. The collateral security and lien provided as collateral for Individual Transactions in favour of the Bank shall be governed by the provisions of this Section A.II.7, provided that the provisions of the Business Regulations shall prevail in matters not covered herein.
- 7.1.1. In the case of collateral security established by a lien agreement/collateral security agreement concluded after 15 March 2014, the Bank is entitled, but not obliged, to block the object of the collateral security.
- 7.1.2. The monetary and financial instruments referred to as assets used as collateral security in these GM GTC and the provisions relating thereto shall, in the case of collateral security contracts concluded from 15 March 2014, apply to the assets that can be used as collateral security as defined or referred to in the Civil Code or the Investment Firms Act in force from 15 March 2014.
- 7.1.3. In the case of statutory liens referred to in Section A.II.7.7, those created before 15 March 2014 shall be governed by the Civil Code in effect prior to 15 March 2014, while those created after 15 March 2014 shall be governed by the Civil Code in effect from 15 March 2014; whereas in cases permitted by legal regulations applicable on a compulsory basis, the provisions set forth in these GM GTC and the related documents shall apply as appropriate.
- 7.1.4. Lien agreements (collateral security agreements) concluded before 15 March 2014 shall be governed by the relevant contracts, the Sales Terms and Conditions of the Bank's Global Markets Directorate in force on the day before the entry into force of these GM GTC and the Civil Code in force before 15 March 2014 and the rules on lien (collateral security) of the related legislation.
- 7.1.5. Lien agreements (collateral security agreements) concluded as of 15 March 2014 shall be governed by the relevant contracts, the present GM GTC and other related documents, the Civil Code, the Investment Firms Act and related legislation in force as of 15 March 2014.
- 7.2. Type, object, establishment and creation of the collateral
- 7.2.1. Individual Transactions are transactions (in particular derivative contracts) where the amount of the claim or debt owed to the Bank by the Client may vary from day to day or even within days, depending on the Bank's valuation of the Individual Transaction, market conditions and other circumstances as set out in the GM GTC, as well as the amount of the secured claim that the Client is obliged to cover with blocked collateral. The Client is obliged to comply with the Variation Collateral Requirement on an ongoing basis to the extent determined by the Bank. The extent of the secured claim to be covered by the blocked collateral is published in the Collateral Announcement and the Bank may publish the principles for the valuation of the Individual Transaction. Coverage is provided by the provision of the Base Collateral and, if necessary, the Variation Collateral or other additional collaterals.
- In the event of hectic market movements or unexpected market conditions, the Bank reserves the right to deviate from the stock exchange clearing price if it does not reflect the actual market situation and to request additional collateral.

The Client has a heightened duty of cooperation in connection with any Individual Transaction (including, in particular, derivative transactions) which requires or may require the provision of Base Collateral, Variation Collateral or other Supplementary Collateral by the Client. The Client shall provide the Bank with their continuous availability by telephone or e-mail after the conclusion of such Individual Transactions until the settlement of the Individual Transaction and shall make the necessary legal declarations in connection with the Individual Transaction without delay upon the Bank's request.

In the case of a natural person Client, the Bank may request the provision of further Additional Collateral Requirement in excess of the Initial Margin or Variation Margin under the conditions set out in these GM GTC.

7.2.2. The Client shall

- a) provide the Collateral specified by the Bank for each Individual Transaction,
- b) maintain the Collateral throughout the term of the Individual Transaction and
- c) supplement or replace the Collateral, as necessary.

The Bank publishes a notice on the general level of the Client's Collateral Obligation expected in certain transactions (Collateral Announcement), but the Parties may deviate from the conditions set out therein when concluding the Individual Transaction, and the Bank is entitled to set the Client's Collateral Obligation at a higher level in the Offer. The Parties stipulate that, for the purposes of establishing the collateral security, the declaration of the Parties shall be deemed to be in writing even if it is made using any of the Transaction Channels, given that the Transaction Channels ensure the unaltered reproduction of the content of the declaration, the identification of the declarant and the date of the declaration, in compliance with the provisions of the Anti-Money Laundering Act and the provisions on the protection of the Client's property.

7.2.3. The Bank may decide that the Client shall not be subject to any Collateral Obligation in respect of the Secured Claim arising from specific Individual Transactions entered into against the Global Markets Limit provided to the Client, calculated in accordance with the calculation and valuation rules of the GM Framework Agreement and these GM GTC.

7.2.3.1 The Bank is entitled to determine the amount of the Global Markets Limit granted to the Client and the terms and conditions of the Individual Transactions that may be concluded against the Global Markets Limit and may amend or withdraw them at any time without giving any reason (with effect for the future). The Bank will inform the Client of the current amount of the Global Markets Limit and the terms and conditions of the Individual Transactions that may be concluded against it via a fixed telephone number at the time of concluding the Individual Transaction or at the time of any amendment or withdrawal, without giving the reasons, of the amount of the Global Markets

Limit or the terms and conditions of the Individual Transactions that may be concluded against it. In the event of an amendment or withdrawal, without giving the reasons, of the amount of the Global Markets Limit granted by the Bank to the Client or the terms and conditions of the Individual Transactions that may be concluded against it, as provided for in this Section, the Client shall be subject to a Collateral Obligation in respect of the Secured Claim arising from the Individual Transactions concluded after the Bank has informed the Client, calculated in accordance with the calculation and valuation rules of the GM Framework Agreement and these GM GTC, in accordance with the new terms and conditions and the provisions of the GM Framework Agreement and these GM GTC.

- 7.2.3.2 The Bank is entitled to revoke the Global Markets Limit coverage, including for Individual Transactions already concluded,
- a) without giving any reason, upon review of the Client's eligibility for the Global Markets Limit once a year until the review date; and
  - b) if any Closing Event as defined in the GM Framework Agreement or in these GM GTC has occurred or is imminent.
- 7.2.3.3 The Bank will inform the Client of the withdrawal of the Global Markets Limit granted to the Client, including for Individual Transactions already concluded, via recorded phone call at the time of withdrawal. **In this case, the Client shall comply with its Collateral Obligation under the GM Framework Agreement and these GM GTC with respect to the Secured Claim arising from Individual Transactions already entered into prior to the Bank's notification or attempted notification, calculated in accordance with the calculation and valuation rules of the GM Framework Agreement and these GM GTC, from the 60th (sixtieth) calendar day following the date of the annual review in the case of a withdrawal without giving the reasons in the context of an annual review, and immediately in the case of a withdrawal upon a Closing Event.**
- 7.2.3.4 The Bank is entitled to unilaterally postpone the annual Global Markets Limit review date once a year, for a maximum of 90 (ninety) calendar days, provided that the postponement will result in the subsequent annual review dates being adjusted accordingly (to the same calendar day as the postponed review date). The Bank will inform the Client of the postponement of the annual review date via a recorded phone call no later than the annual review date.
- 7.2.3.5 The Bank and the Client may agree on different terms from those set out in these GM GTC via the recorded phone call at the time of the annual review of the Global Markets Limit.
- 7.2.3.6 The legal entity Client undertakes to provide the Bank with the general ledger statement for the last closed quarter within 30 (thirty) days after each calendar quarter for the purpose of verifying its eligibility for the Global Markets Limit during the period of the Bank's provision of the Global Markets Limit and to provide the Bank with the financial statements for the last closed financial year by 30 June each year. The Client acknowledges that in order to verify eligibility for the Global Markets Limit, the Bank is entitled to require the provision of

additional documents, information, data (including, but not limited to, data concerning the Client's general, management, other banking and other relationships).

**7.2.3.7** *If the Bank provides the Client with a Global Markets Limit, the Client undertakes to credit its Payment Accounts and Foreign-currency Accounts held with the Bank with the amount of credit transactions as specified in the credit and loan agreements concluded between the Bank and the Client under the prevailing Act on Credit Institutions and Financial Enterprises (in case of more than one credit and loan agreement, the maximum amount specified) or in the Contract Addendum on the subject of specific ancillary obligations with regard to the Global Markets Limit.*

**7.2.3.8** *The Client acknowledges that if it fails to fulfil its credit obligation on the due date, the Bank shall collect the amount of the Client's due credit obligations from the Client's payment account kept with any other payment service provider, through a collection order based on a letter of authorisation.*

*If the Bank provides the Client with a Global Markets Limit, the Client undertakes to notify all current and any future payment service providers of the Bank's right to submit collection orders, and shall do so by filing with them a letter of authorisation compliant with the prevailing legislation on payments and settlements, and to submit to the Bank the letter of authorisation endorsed by the other payment service provider. The Client shall fulfil this obligation prior to the granting of the Global Markets Limit, while with regard to any payment accounts opened subsequently, within 10 days of the entry into force of the account contracts relating to such accounts. It shall be stated in the letter of authorisation that the Client may revoke the authorisation only with the Bank's prior written consent.*

**7.2.4.** The Collateral *may be blocked or otherwise segregated (hereinafter collectively for the purposes of Section 7: "blocking") for the benefit of the Bank as Base Collateral, Variation Collateral (Variation Margin) or Supplementary Collateral (which also corresponds to the concept of transfer as defined in the Civil Code in force until 15 March 2014)*

- a) In the case of cash collateral securities, by the Bank on the Payment Account, Foreign Currency Account or Client Account, for which the Client, by signing the GM Framework Agreement, authorises the Bank without any further legal action,
- b) In the case of securities provided as collateral security
  - ba) in the Securities Account, by which the Client authorises the Bank without any further legal action by signing the GM Framework Agreement, *or*
  - bb) *at KELER as securities blocked for other beneficiaries for the benefit of the Bank, as specified in the Collateral Announcement, in accordance with the provisions of the General Business Regulations of KELER; or*
  - bc) *pledging for the benefit of the Bank with a third-party depository other than KELER (including, under Section 7, the*

*central securities depository and the clearing house), as set out in the Collateral Announcement, in accordance with its relevant general terms and conditions.*

Even in the absence of a blocking, the Cash Collateral Security and the Securities Collateral Security serve as collateral for Individual Transactions.

The above provisions shall be without prejudice to the provisions of Sections A.III.12.2.2.1-12.2.2.3. of the Business Regulations.

- 7.2.5. The Client warrants their title to all monetary and financial instruments held as collateral security and that the same are free from litigation, encumbrances and claims, and that they are not aware of any circumstance that may limit the Bank's right to satisfaction from said collateral security. The Client undertakes not to encumber or alienate the object of the security until the payment or service obligation arising from the Individual Transaction has been fully discharged and, at the Bank's request, to leave (keep) it in the collateral security (sub)account(s) held by the Bank, *or by KELER, in the case of securities blocked for other beneficiaries or, by the third-party depository, in the case of pledging with a third-party depository.*
- 7.2.6. The collateral provided by the Client shall serve as security for all payment obligations of the Client arising from any Individual Transaction, regardless of the legal basis. The amount of the secured claims arising under the Individual Transaction shall be defined by the Parties in their legal statement regarding the Individual Transaction or on the establishment or blocking of the collateral security; or, in the absence thereof, the Collateral Announcement, the information note on initial and variation margin and these GM GTC shall apply. In the case of Consumer Pledge Agreements concluded after 15 March 2014, the amount of the secured claim is specified in the legal statement regarding the Individual Transaction or on the establishment or blocking of the collateral security; or, in the absence thereof, the Parties shall be deemed to have specified the amount of the secured claim by reference to the Collateral Announcement, the information note on initial and variation margin, and these GM GTC.
- 7.2.7. The unblocking of funds and financial assets blocked by the Bank, *or securities blocked by KELER with the Bank marked as the beneficiary, or securities pledged as collateral with a third-party depository,* as collateral security for a given Individual Transaction shall only be effected on the basis of an express special provision of the Client with regard to the long-lasting legal relationship of the parties, and the funds and financial assets blocked as security for the claims arising from the Individual Transaction shall not be automatically unblocked upon termination of the given Individual Transaction. This rule also applies mutatis mutandis to the proportional release of excess collateral. The Client acknowledges that the provisions of this paragraph relating to the blocking and unblocking of collateral shall apply mutatis mutandis to the amount of the initial margin of the stock exchange futures transactions concluded on BSE or other foreign stock exchanges, even for the part of the initial margin in excess of the margin specified in the Collateral Announcement and required by KELER, other clearing houses or the Execution Partner.

**Pursuant to this paragraph, the money or financial instrument blocked as collateral for an Individual Transaction shall remain blocked until the Individual Transaction for which the blocking was made is performed (including clearing and settlement) and, in addition, shall remain blocked after the termination of the Individual Transaction by performance until the Client expressly instructs the Bank to release the blocking.** The Client acknowledges the Bank's warning that if the blocking of funds or financial assets in connection with stock exchange transactions takes place at KELER, this provision entails the risk that, financial assets and funds blocked by the Bank as collateral (collateral security) in the client sub-account held with KELER may be used by KELER to settle other clients' positions, which may occur in particular if, in the event of significant (hectic) market price movements, other clients with positions may not provide collateral for their own positions. In concrete cases, this may have the adverse result for the Client that the collateral provided by them in connection with the Individual Transaction will be used by KELER to settle obligations of other Clients or the Bank, in relation to which the Client may not raise any objection or claim against KELER, but only against the Bank. This is particularly detrimental to the Client if the Bank becomes insolvent, where the Client has no or limited access to the collateral thus used in the insolvency proceedings, whereas, if the collateral had been released in the absence of the provisions of this Section, the Client would have been more likely to obtain satisfaction. The risk of this provision is therefore that the Client may suffer damage as a result. In relation to this provision, the Client declares that they have read and understood the provisions of the KELER Rules relating to collateral and its use by KELER.

7.2.8. Amount and type of Base Collateral:

7.2.8.1 In the case of a collateral security agreement concluded before 15 March 2014, the amount and type of the Base Collateral shall be determined and communicated to the Client by the Bank at the time of conclusion of the transaction and accepted by the Client at the time of conclusion of the transaction. Unless otherwise agreed by the Parties in the Individual Transaction, the Client shall provide the Bank with the Base Collateral in the amount and type of collateral specified in the Bank's Collateral Announcement for the Individual Transaction. The Client undertakes to provide (transfer) the Base Collateral to the Bank at the same time as the conclusion of the Individual Transaction. For collateral security contracts entered into from 15 March 2014, where the collateral security is for a payment account receivable (including a Foreign Currency Account receivable), a client account receivable or a financial instrument, the amount and type of Base Collateral (type of collateral security and the amount thereof) shall be as set out in the Collateral Announcement, shall be determined and communicated by the Bank to the Client at the time of conclusion of the transaction and accepted by the Client at the time of conclusion of the transaction or, failing this, the amount and type of Base Collateral (the type of collateral and the amount thereof) shall be deemed to have been determined by the Parties by reference to the Collateral Announcement and these GM GTC.

The Client shall make the Base Collateral available to the Bank at the latest at the same time as the conclusion of the Individual Transaction and the Bank shall be entitled to block the Base Collateral, *keep it blocked with KELER or keep it as collateral with a third-party depository* until the settlement of the Individual Transaction, irrespective of the amount of the variation margin required.

- 7.2.9. The Bank will evaluate the Client's open position resulting from the given Individual Transaction on a regular basis, even several times a day. If the result of the evaluation is that the Collateral provided by the Client does not cover the Client's payment obligations (open position) that may theoretically arise from the given Individual Transaction (in particular in the event of a possible closing) to the extent determined by the Bank, the Bank is entitled to request the Client to provide Supplementary Collateral – to supplement or increase the Base Collateral – at any time. The Client must comply with this request without delay, provided that the Bank may specify a later date for compliance with this obligation in the request. The Parties agree that the type and amount of the Supplementary Collateral shall be determined by the Bank, whereby the Bank shall not be bound by the amount and type of the Base Collateral.
- 7.2.10. The Bank has the right to assess and rate the value of the Base Collateral and the Supplementary Collateral and also the Client on an ongoing basis. The Bank shall be entitled to require the Client to supplement or replace the Base Collateral, Supplementary Collateral or other type of collateral provided if (i) the amount or value of the Base Collateral has decreased, or (ii) the amount or value of the Supplementary Collateral has decreased, or (iii) the Client's client rating has changed adversely.
- 7.2.11. The Base Collateral and any Supplementary Collateral may not always cover all of the Client's defaulted payment obligations arising from the relevant Individual Transaction, in particular, but not exclusively, due to (i) the fact that capital and financial market conditions (including, in particular, interest rates, exchange rates) may change, even very rapidly, (ii) the Bank's powers to call for the supplementation or replacement of collateral are powers which the Bank may or may not exercise at its unilateral discretion. The Client unconditionally undertakes that if the Base Collateral and any Supplementary Collateral do not cover all of the Client's defaulted payment obligations (secured claims) arising from an Individual Transaction, the difference will be paid to the Bank without delay. The Client's obligation under this Section is a material obligation without which the Parties would not have entered into the GM Framework Agreement or each Individual Transaction.
- 7.2.12. Some of the rights granted to the Bank in respect of the position, the Base Collateral and the Supplementary Collateral are rights which may be exercised as a result of an assessment.
- 7.3. Specific rules on Cash Collateral Security
  - 7.3.1. Rules applicable to collateral security agreements concluded before 15 March 2014

- 7.3.2. The Client acknowledges that — if eligible under a separate agreement — the amount of their Cash Collateral Security increases with a prorated interest amount without any further legal action. The maturity of the deposit which is the subject of the Cash Collateral Security and its re-commitment do not affect the collateral security nature of the funds (payment account balance) and the Bank's collateral security rights.
- 7.3.3. If the Bank's right of satisfaction accrues, the Bank is entitled to satisfy its claims directly from the Cash Collateral Security and to set it off against the amount owed by the *Client* under the Framework Agreement.
- 7.3.4. Rules applicable to collateral security agreements concluded after 15 March 2014
- 7.3.5. The Client acknowledges that, if the Client is entitled to interest on the Cash Collateral Security under a separate agreement, the amount of the Cash Collateral Security will be increased by the amount of the pro rata interest without any further legal action. The Bank's right to satisfy the claim out of the Cash Collateral Security shall accrue when the secured claim has fallen due and the Client has failed to perform. If the Bank's right of satisfaction accrues, the Bank is entitled – by unilateral declaration addressed to the Client – to obtain ownership of the object of the collateral security from the Cash Collateral Security in accordance with the provisions of the Investment Firms Act and the Civil Code up to the amount of the secured claim. The Client acknowledges that the Bank is entitled, but not obliged, to exercise a direct right of satisfaction in respect of the Cash Collateral Security once the Bank's right of satisfaction has accrued and that the Bank is also entitled to set-off.
- 7.4. Specific rules on Securities Collateral Security
- 7.4.1. Rules applicable to collateral security agreements concluded before 15 March 2014
- 7.4.2. The Client acknowledges that the Securities Collateral Security increases with the amount of earnings and yields applicable to the collected collateral security. If the maturity of any of the securities placed as collateral security precedes the date of the release of the collateral security by the Bank or before the maturity of the securities, or if the securities are withdrawn, converted or any other similar legal action is taken, the Client authorises the Bank, by signing the GM Framework Agreement, to proceed with the issuer and the distributor for the above legal action in relation to the expired securities. The Parties agree that the full amount due at maturity (including yields as applicable) collected in the above legal action in respect of the securities, as well as the securities received shall be used as collateral security for the credit obligation existing towards the Bank and arising from the GM Framework Agreement.
- 7.4.3. If the Bank's right of satisfaction in connection with the Securities Collateral Security accrues, it shall be entitled to directly access said Securities Collateral Security for purposes of satisfaction. The Bank shall exercise its right to satisfaction from Securities Collateral Security by disposing over the securities freely and without having to notify the Client in this case, while also being

directly entitled — at its own discretion whenever deemed appropriate — to seek satisfaction by

- a) taking ownership of, or
- b) selling the securities.

7.4.4. If a security placed as collateral security has been admitted to trading on BSE or another stock exchange or regulated market, the Bank is entitled to sell it outside the regulated market.

7.4.5. In the procedures set forth in Section A.II.15, the price (exchange rate) of the security may be established in the following methods:

- a) If a security placed as collateral security has been admitted to trading on BSE or another stock exchange or regulated market, the Bank is entitled to take possession of or sell the security at that price.
- b) For securities that, while not listed on a stock exchange or regulated market, carry public prices (exchange rates, net asset values) that are independent of the Parties, the Bank shall be entitled to purchase or sell at these prices.
- c) In the case of financial instruments which are not listed on a stock exchange or regulated market and which do not have a public price (price, net asset value) independent of the parties, the Bank is entitled to request offers for the financial instrument in question from three credit institutions or investment firms (their non-Hungarian counterparts) selected by the Bank and which calculate the purchase or sale price of the financial instrument in good faith on the basis of the average of the prices determined in the offers.
- d) In any case, the Bank is entitled to determine the lowest sales price for the sale of the securities on the basis of the expert opinion issued by a forensic expert appointed by the Bank.

7.4.6. Rules applicable to collateral security agreements concluded after 15 March 2014

7.4.7. The Client acknowledges that the Securities Collateral Security will be increased by the amount of the premiums and returns due and collected on the security placed as collateral security. By signing the GM Framework Agreement, the Client authorises the Bank to proceed with the issuer and the distributor to redeem the expired securities if any of the securities deposited as collateral security expire before the date of the Bank's release of the collateral or if the securities are withdrawn, converted or any other similar legal action is taken before that date. The Parties agree that the full amount due at maturity (including yields as applicable) collected in the redemption of securities, as well as the securities received shall be used as collateral security for the credit obligation existing towards the Bank and arising from the GM Framework Agreement. The Bank's right to satisfy the claim out of the Securities Collateral Security shall accrue when the secured claim has fallen due and the Client has failed to perform. If the Bank's right of satisfaction from the Securities Collateral Security accrues, the Bank shall be entitled to enforce

the Securities Collateral Security in accordance with the provisions of the Investment Firms Act, the Civil Code and related legislation, these GM GTC and related documents. If the object of the collateral security is a security with a stock exchange or other publicly quoted market price or a security representing a monetary claim with a value that can be determined independently of the parties according to the terms of the security at the time, the Bank may, upon the accrual of its right of satisfaction, acquire ownership of the object of the security by unilateral declaration addressed to the Client, including the Authorised Representative, up to the amount of the secured claims. The Client acknowledges that the Bank intends to exercise a direct right of satisfaction in respect of the collateral security, provided that it does not initiate any other procedures provided for in the Investment Firms Act, the Civil Code or referred to in the GM GTC.

7.5. Special rules for Securities Collateral Security held in a Long-Term Investment Consolidated Securities Account and for Cash Collateral Security held in an LTISA i.e. Long-Term Investment Securities (Collateral Security) Cash Account linked to a Long-Term Investment Consolidated Securities Account or in an LTISA (Collateral Security) Foreign Currency Cash Account

7.5.1. The Client acknowledges the following when using the Collateral under this Section of the GM GTC:

- a) Income from long-term investments is governed by Section 67/B of the PIT Act.
- b) The exercise of the right of direct satisfaction of the collateral security results in the removal of the invested funds or financial assets from the deposit register, which entails the termination of the term deposit. In the event of a termination of the term deposit, the return shall be determined for the date of termination, and the rules on the personal income tax liability on this return are set out in the announcement *"Taxation information on the investment services of OTP Bank Plc."*.
- c) For the period after the termination of the term deposit cannot, no income from long-term investment can be attributed to income from financial instruments not covered by the collateral security, so the capital income arising after the date of termination of the term deposit shall be subject to the provisions applicable to it according to its title.
- d) Information on taxation can be found in the current announcement titled *"Taxation information on the investment services of OTP Bank Plc."*.

7.5.2. The Bank's right of collateral security in the event of the application of the Collateral under this Section of the GM GTC shall survive if, upon termination of the Long-Term Investment Consolidated Securities Account, LTISA i.e. Long-Term Investment Securities (Collateral Security) Cash Account or the LTISA (Collateral Security) Foreign Currency Cash Account used to register the Collateral, the Collateral is registered in a new Securities Account and in a

Payment Account or Foreign Currency Account linked to the Securities Account.

- 7.5.3. In the event of the use of the Collateral under this Section of the GM GTC, after exercising its right of direct satisfaction, the Bank shall transfer or assign the excess of the Collateral over the Secured Claim to the Consolidated Securities Account held with the Bank and to the Payment Account or Foreign Currency Account linked to the Consolidated Securities Account, as specified by the Client, and shall thereafter manage the same in accordance with the terms, conditions, fees and charges applicable thereto. If the Client gives no instruction regarding the above by the time of the termination of the term deposit, the Bank shall transfer the funds exceeding the secured claim to the Consolidated Securities Account and to the Payment Account or Foreign Currency Account linked to the Consolidated Securities Account in accordance with the procedure set out in Section A.III.19.2 of the Business Regulations and shall thereafter manage the same in accordance with the terms, conditions, fees and charges applicable thereto.

If the Client does not have a Consolidated Securities Account with the Bank at the time the right of satisfaction is exercised, the Bank shall act in accordance with the rules on responsible custody (A.III.19.) of the Business Regulations with regard to the funds exceeding the secured claim.

7.6. Third-party collateral securities

- 7.6.1. Third-party collateral securities may be sought if the Client defined in the GM Framework Agreement and the party offering the collateral security are different persons. In such case, the Bank shall conclude the collateral security agreement with the party offering the deposit and the Client shall also sign it. The Bank is entitled to examine and request information on the relationship between the Client and the Party offering the collateral security; furthermore, the Bank is not required to accept and conclude an agreement regarding collateral security provided by a third party other than the Client. As far as the GM Framework Agreement is concerned, the Party offering the collateral security is a third party other than the Client providing the Bank with collateral security to cover all of its claims that arise from the legal relationship originating from the GM Framework Agreement. In the case of a Consumer Pledge Agreement, the amount of the secured claim shall be specified in the collateral security agreement, failing which the provisions of the Collateral Announcement, the Standard Prior Information Note and these GM GTC shall prevail.

7.7. Statutory lien of the agent / broker

- 7.7.1. Pursuant to the Civil Code, in the case of an agency agreement, in order to secure its commission and costs the Bank as an agent is entitled to a right of lien on those assets of the Client which came into its possession as a result of the assignment. These rules also apply mutatis mutandis in the case of a commission contract.

7.8. Replacement of collateral

- 7.8.1. Regarding the collateral – Base Collateral and Supplementary Collateral, if any –, the Client is entitled to initiate that its object, i.e. the object of the blocked collateral security, is replaced by a collateral of a different type, or another collateral of the same type, as defined in the Individual Transaction, or, failing that, in these GM GTC and the Collateral Announcement, which the Bank will accept if, in the Bank's discretion, the change of the object of the original collateral does not jeopardise the Bank's right to satisfaction. The Client shall, if this has not been done previously, at the Bank's request, enter into a separate collateral security agreement with the Bank in respect of the replaced collateral, *or block it with KELER for the benefit of the Bank, or pledge it with a third-party depository on behalf of the Bank.*
- 7.9. Restrictions on the provision of collateral involving the transfer of ownership
- 7.9.1. The Bank will only accept collateral involving the transfer of ownership in exceptional cases, in case of an individual agreement with the Client (in particular the existence of an ISDA and CSA contract), if:
- a) the Client is not a retail client,
  - b) the nature of the transaction and the nature of the Global Markets Service and the risk of default are considered appropriate by the Bank.
- 7.9.2. In the case of the provision of collateral involving the transfer of ownership, the Client provides the collateral to the Bank in such a way that the Client transfers ownership of the collateral to the Bank.
- 7.9.3. The Client provides the collateral involving the transfer of ownership to the Bank by considering and accepting the following main risks:
- a) the ownership of the asset provided as collateral with transfer of ownership shall vest in the Bank and such collateral, as the Bank's property, will not be marked either separately as per clients or separated from the Bank's other property.
  - b) the Bank will treat the collateral thus provided as its own, by recording it in its own system as collateral provided by the Client, for which it can provide the Client with an up-to-date statement.
  - c) The assets thus placed in the Bank's possession shall be treated as collateral by the Bank, by agreement with the Client, so that the Bank may exercise its right of satisfaction without further provision, upon the accrual of its right of satisfaction, of which the Client shall be notified. The Bank will settle accounts for the assets pledged as collateral with the Client immediately upon closing the position concerned.
  - d) the Bank treats the collateral provided by the Client as a result of the transfer of ownership as its own and may pass it on as collateral to its trading partner involved in the conclusion of the transaction.
  - e) in view of the nature and legal nature of the security provided by the Client as collateral, the assets provided as collateral will be considered the property of the Bank in the event of the Bank's insolvency, and the Client cannot claim its release as its own

property in these proceedings, and may therefore pursue this claim on other grounds.

- 7.9.4. In the event that, by agreement between the Bank and the Client, the Bank is free to dispose of the collateral to be provided by the Client as its own, the Client shall ensure that it fulfils all the conditions relating to its person which are necessary for the collateral to be provided as such. The Client and the Bank enter into this agreement on the essential premise that the Client is entitled to provide security involving the transfer of ownership under the applicable regulations and that the Client can ensure the continuation of this status until the position is closed. Therefore, in the event that, after the opening of a position, the Client fails to comply with any of the conditions required for the provision of the collateral involving the transfer of ownership, and the collateral cannot be provided as described above, the Bank shall be entitled to force liquidate the Client's positions concerned, for which the Bank shall not be liable for any loss.
- 7.9.5. In respect of the above, the Bank will take the client rating at the time of opening the position as the basis for the entire life of the position, unless otherwise required by law or supervisory decision. In this case, the procedure set out above shall apply.
- 7.10. Additional Collateral Requirement
- 7.10.1. The provisions of this Chapter shall apply for the first time when, as a result of an OTC derivative Individual Transaction initiated or to be entered into by the Client after the entry into force of this Chapter, the aggregate Base Collateral requirement of the Client's OTC derivative Individual Transactions exceeds one of the thresholds set out in the Collateral Announcement.
- 7.10.2. The provisions of this Chapter of the GM GTC governing collaterals in general shall apply mutatis mutandis to the Additional Collateral Requirement, subject to the derogations contained in this sub-chapter.
- 7.10.3. The provision of the Additional Collateral Requirement by the Client shall become necessary if the value in HUF of the Base Collateral requirement of the aggregate OTC derivative Individual Transactions entered into by the Client would increase above the threshold(s) set out in the Collateral Announcement as a result of the OTC derivative Individual Transaction initiated or to be entered into by the Client. The amount of the Additional Collateral Requirement to be provided by the Client will be adjusted to the Base Collateral threshold as set out in the GM Supplementary Announcement.
- 7.10.4. The Client shall maintain the Additional Collateral Requirement in the amount specified in the Collateral Announcement until such time as the total value in HUF of the Base Collateral requirement of the Client's OTC derivative Individual Transactions in the aggregate falls below 90% of the threshold amount(s) specified in the announcement under this sub-chapter.
- 7.10.5. The Additional Collateral Requirement shall serve as security for all of the Client's payment obligations under any title arising out of any Individual Transaction. The amount of the secured claim shall be specified in a separate legal declaration or, in the absence thereof, the Parties shall be deemed to

have specified the amount of the secured claim by reference to the Collateral Announcement.

- 7.10.6. The Client is required to provide the Bank with the Additional Collateral Requirement in the type of collateral specified in the Collateral Announcement and accepted by the Bank. The Client undertakes to make the Additional Collateral Requirement available to the Bank and, to this end, to enter into a collateral security agreement with the Bank, *or to block it with KELER for the benefit of the Bank, or to pledge it with a third-party depository for the benefit of the Bank*, at the same time as any action affecting the amount of the Base Collateral to be provided by the Client, which would cause the amount of the Base Collateral to rise above the threshold(s) specified in the relevant announcement.

The amount of the Additional Collateral Requirement is not taken into account when assessing the value of the Client's open positions arising from Individual Transactions. Section A.II.7.2.9 and Section A.II.7.2.10 of these GM GTC shall not apply to the Additional Collateral Requirement.

## **8. Information on the execution of the order**

- 8.1. Following the execution of an Individual Transaction, the Bank shall, within the deadline, in the manner and with the content set out in the relevant legislation, disclose to the Client information regarding the execution of the Individual Transaction. The Client consents to the Bank sending the information to the Client by fax, post or electronic means.

## **9. General rules for the clearing and settlement of the Individual Transaction**

- 9.1. If, in connection with an Individual Transaction, any amount, interest, yield, or the number, volume, price or exchange rate of goods or financial instruments, must or is advisable to be calculated or established on the basis of the Individual Transaction, the GM Framework Agreement, the separate agreement, Individual Contract or the GM GTC, the party engaged in the calculations (computation or establishment) in this respect — unless otherwise agreed to by the Parties in the Individual Transaction — shall be the Bank. The Parties accept the calculations of the Bank as the calculating party. This provision does not affect the Client's right and obligation to perform the calculations and computations necessary for the execution of the Individual Transaction in such a way that they can fulfil their obligations towards the Bank in due time, therefore the delay or failure to communicate the results of the calculation or computation to the Client shall not constitute a default or other breach of contract by the Bank as the holder of the right.
- 9.2. For Individual Transactions executed on a stock exchange (regulated market), the manner of execution of the Individual Transaction (delivery or settlement) is determined in accordance with the provisions of the rules governing the Individual Transaction on the relevant stock exchange. If the BSE Rules

provide for the settlement of futures transactions in shares by delivery, this may be deviated from by express agreement between the parties.

- 9.3. The manner of execution of an OTC Individual Transaction shall in principle be delivery, unless otherwise agreed by the Parties or unless the characteristics of the transaction in question are such that it cannot be delivery. OTC Individual Transactions, with the exception of Deposit Transactions, are settled on a net basis, provided that settlement takes place in accounts held by the Bank. The Client and the Bank may also individually agree on gross settlement. In the case of net settlement, the Bank shall determine the net balance of the Parties' credit obligations due on the same settlement date in the same currency and shall credit or debit the Client's account with the Bank in the same currency. Conversions may take place for the purpose of clearing and settlement.
- 9.4. The Client shall ensure that the funds to be provided by it for the settlement is available no later than 4:00 p.m. on the settlement date. The Bank shall send the Clients a Certificate of Completion of the financial settlement, with the proviso that the Certificate of Completion issued by the Bank shall be deemed to be a tax certificate (document) if it is issued to natural person Clients subject to the PIT Act, in such a way that it also contains tax information related to the Bank's tax liability as a payer and its proper performance.
- 9.5. If the Client fails to provide the collateral required for settlement on the settlement date, the Bank is entitled to close the relevant Individual Transaction(s) as described in Section A.II.15 of these GM GTC.
- 9.6. The Bank shall, when using assets placed at the disposal of the Bank by the Client or a third party as security for claims arising from the Global Markets Framework Agreement, Individual Contract or contract, which have been released from the Client's free disposal and set aside for this purpose, as well as other assets at the Client's free disposal pursuant to the provisions of the Business Regulations and the General Business Regulations, if the assets pledged as security are not sufficient to settle the claim, proceed as follows if
- a) the Client has a credit obligation on the settlement date and fails to provide the collateral necessary to settle the Individual Transaction(s); or
  - b) during forced liquidation, or
  - c) during Closing, the Bank is unable to agree with the Client on the closing of the Individual Transaction(s) and the provision of the necessary funds for the settlement.

The Bank first uses funds from payment account balances in the same currency as the currency of the receivable, and then converts payment account funds in other currencies into the currency of the receivable, starting with the more liquid currency cover and moving towards less liquid assets.

The Bank first uses securities issued in the same currency as the currency in which the receivable is denominated, and of these, primarily securities denominated in the same currency. Of the securities not issued in the currency of the receivable, the Bank uses the more liquid assets first, followed by the less liquid assets.

9.7. If the Client does not have a Payment Account with the Bank on the settlement date on which settlement can be effected, the Bank shall proceed in accordance with the principles of forced sale set out in its announcement entitled *"Supplementary Announcement on general information on the marketing of securities and on the fulfilment of certain transactions to the Investment Services Business Regulations"*.

9.8. The settlement method for commodity derivative transactions cannot be delivery.

9.9. Procedure in an extraordinary situation with regard to performance

The Parties shall be deemed to be in an extraordinary situation for the purposes of performance if settlement of the Individual Transaction is not feasible for any reason, in particular because, depending on the Individual Transaction, on the value date or quotation date, the following data necessary for the settlement of the Individual Transaction are not available or available to a limited extent only:

- the settlement rate determined by the Parties,
- settlement price or exchange rate,
- reference price,
- interest,
- quoted interest rate,
- inflation index,
- variable price;

or the same is not or incorrectly published, or an Exceptional Market Situation as per the Business Regulations occurs. In the event of an extraordinary market situation for execution, the result, value and rules of execution of the Individual Transaction shall be determined by the Bank at its discretion (using alternative prices, interest rates or resources, quantities, units). The rights assured for the Bank herein are rights which may be utilised as a result of evaluation and choice.

## **10. Declarations by the Client**

10.1. Representations by the Client concerning their status. The Client is required to make the following declarations to the Bank.

10.1.1. Where the Client:

- a) is a natural person, they have legal capacity and capacity to act under Hungarian law (or of the law of the Client's own jurisdiction).
- b) is an enterprise, it is validly established, registered and operating under Hungarian law (or the law of its own jurisdiction), and it has all the necessary official authorisations to carry on its business.
- c) is a municipality, then it is a local or county municipality validly established, registered and operating under Hungarian law, and the GM Framework Agreement and the Individual Transactions will be concluded in accordance with the provisions of Act LXV of 1990 on

Local Governments (and Act CLXXXIX of 2011 on Local Governments in Hungary).

d) *not a Sanctioned Person.*

- 10.1.2. The GM Framework Agreement and the Individual Transactions and collateral agreements represent the Client's lawful, valid and binding obligations, enforceable against them.
- 10.1.3. The Client is entitled to enter into the GM Framework Agreement and the Individual Transactions and the collateral agreements and to perform their obligations thereunder and to take all steps necessary to validly enter into the GM Framework Agreement and the Individual Transactions and the collateral agreements and to perform their obligations thereunder. (Each of) the Client's representative(s) confirms and declares that they have proper authorisation to act as representative for concluding the GM Framework Agreement, the Individual Transactions and collateral agreements and for undertaking to comply with its provisions, in relation to which their authorisation is not limited and is not subject to any condition or approval or such condition has been met and such approval has been granted.
- 10.1.4. The Client is not in breach in relation to any contract, which could affect the Client's ability to perform its obligations under or to comply with the provisions of the GM Framework Agreement and the Individual Transactions and collateral agreements.
- 10.1.5. Conclusion and performance of the GM Framework Agreement and the Individual Transactions is not contrary to (i) any statutory rule, provision, or court, authority or municipal resolution, or *(ii) any sanctions, restrictions or other requirements, or (iii)* the Client's instrument of incorporation, corporate documents/deeds of foundation (if any); or (iv) any contract or other document embodying the Client's obligation.
- 10.1.6. The financial statements, if any, requested by the Bank and provided by the Client to the Bank (i) have been prepared in accordance with the applicable requirements and (ii) give a true and fair view of the financial position and financial performance of the Client as at the date of the statement and there has been no material adverse change in the financial position and/or financial performance of the Client since that date.
- 10.1.7. All information and financial statements provided to the Bank have been and remain true, complete and accurate in all respects and do not omit any fact which would make the statements contained therein misleading.
- 10.1.8. No litigations are in progress, whether before an ordinary court or arbitration court or outside the scope of judicial proceedings, and no administrative or other proceedings are in progress in relation to the Client and/or their significant property items (respectively, to the best knowledge of the Client, they are not pending or threatened), which would, in case of an unfavourable outcome, have a substantially adverse effect on the Client's, financial and/or property status or their ability to perform their obligations resulting from the GM Framework Agreement, the Individual Transactions and the collateral agreements.

- 10.1.9. On the part of the Client, there is no Closing Event or other circumstance that may within a certain period or upon notice (or both) result in a Closing Event; and neither the conclusion of the GM Framework Agreement or an Individual Transaction nor the fulfilment of pertaining obligations result in a Closing Event.
- 10.1.10. The Client who is a natural person has not initiated debt settlement proceedings under Act CV of 2015 on Debt Settlement of Natural Persons and is not subject to such proceedings (neither as a debtor nor as a co-debtor).
- 10.1.11. The Client chooses and accepts to communicate with the Bank by means of a durable medium other than paper and consents to the Bank providing and making available to the Client information that may be provided by law, in particular documents ensuring compliance with the prior information obligation and key information documents, by means of a durable medium other than paper and/or via the Bank's Website. In this regard, the Client declares that this method of communication is in accordance with the existing or future business relationship between the Bank and the Client. The Client acknowledges that for financial instruments for which the Key Information Document is not accessible or not available, the Bank is not obliged to make an Offer or is entitled to refuse to accept and execute the Client's order.
- 10.1.12. Due to the nature of communication and order transmission by means of telecommunication, the Client consents to the Bank providing the Client with certain information required by law to be provided in advance by the Bank as a general rule – in particular: the suitability report for investment advice or the Key Information Document (KID) for certain products – only after the conclusion of the transaction with the proviso that the Client is entitled to request the provision of these documents prior to the conclusion of each transaction, before the Offer or Individual Transaction is granted, and may also postpone or delay the conclusion of the transaction until the requested documents are provided. In the case of a postponement of the granting of an Offer or order for an Individual Transaction, the current market conditions and exchange rates may change in relation to the Individual Transaction.
- 10.1.13. The Client agrees that certain documents that are not available to the Bank in Hungarian may be provided to the Client only in the available language, so that the Client receives information in several languages.
- 10.1.14. The Client accepts the Bank's Execution and Allocation Policy and, on the basis of the provisions thereof, agrees to the execution of their order outside the Bank's trading venue.
- 10.2. The statements set out in Section A.II.10.1 are made by the Client (i) at the time of signing the GM Framework Agreement; (ii) on the day of conclusion of each Individual Transaction entered into under the GM Framework Agreement prior to the conclusion of the transaction and are deemed to be repeated on each day on which the Client has an open position under an Individual Transaction. If there is a change in the content of the Client's status declaration, the Client must notify the Bank immediately, within 1 (one) banking day, even if the Client has no open position.

In relation to Sections A.II.10.1.11–A.II.10.1.14, if the Client does not provide the Bank with an express declaration to this effect, the Bank is not obliged to accept the order for the conclusion of an Individual Transaction until the declaration is made.

10.3. Client's statements of information relating to Individual Transactions.

The Client makes the following declarations to the Bank:

10.3.1. The Client possesses appropriate knowledge of Individual Transactions (particularly concerning the economic purpose, justification, risks, assessment and market standards of such deals), furthermore, it has informed their Authorised Representatives about the required knowledge, thus particularly about the provisions of the GM Framework Agreement. The Client acknowledges having been given an opportunity by the Bank to inquire about Individual Transactions and having received professional answers to such questions.

10.3.2. The Client's financial and economic status — fully aware of the risks inherent to Individual Transactions, the rules of making collateral available and their rights concerning the Closing of options — allow for the fulfilment of their obligations arising from Individual Transactions.

10.3.3. The Bank has fully informed the Client prior to the conclusion of the GM Framework Agreement about the market situation of the Individual Transaction, the public information, the risks of the Individual Transactions, the investor protection and deposit protection schemes available to the Client, if any, and any other information that may be relevant for the conclusion and performance of the GM Framework Agreement. The Client is entitled to request the Bank in writing to provide the information again after the conclusion of the GM Framework Agreement, specifying the information requested. The Client shall be responsible for evidencing precisely what they requested from the Bank in writing, as well as any failure to receive the desired information, with the Client being responsible for any losses stemming from any inaccuracy or lack of clarity of its request submitted to the Bank. The Bank is entitled to charge the fees, commissions and costs related to additional information set out in the Fees in the case of Clients who are not Consumers.

10.3.4. The Bank has informed the Client or the Authorised Representative of the exchange rate of the given Individual Transaction and of the exchange rate development in the period prior to the conclusion of the Individual Transaction, simultaneously with the Offer made in response to the invitation to bid for the Individual Transaction, by telephone or, prior to the conclusion of the transaction, by e-mail or through the Transaction Channel used by the Parties in connection with the Individual Transaction. The Bank draws the Client's attention to the fact that the information provided under this paragraph is intended to provide general information based on data that is also made available to the public and does not constitute a recommendation or investment advice to the Client.

10.4. The declarations set out in Sections A.II.10.1 to A.II.10.3 above are made by the Client:

- a) on the date of signing the GM Framework Agreement;
- b) on the date of entering into each Individual Transaction under the GM Framework Agreement prior to the conclusion of the transaction and are deemed to be repeated on each day on which the Client has an open position under an Individual Transaction. If there is a change in the content of the Client's declaration, the Client must notify the Bank immediately, even if the Client has no open positions or does not enter into any transactions on the day of notification.

## **11. Obligations of the Client**

11.1. The Client undertakes the following obligations, effective starting with the signature date of the GM Framework Agreement and until any debt exists or may be incurred under the GM Framework Agreement or any Individual Transaction:

11.1.1. The Client undertakes to provide the Bank, upon the Bank's request and within a reasonable period of time, with any financial or other information concerning the Client or the Client's assets that the Bank may request within the limits permitted by data protection legislation in order to monitor the Client's financial status and economic situation.

11.1.2. The Client shall notify the Bank immediately but no later than 1 (one) banking day:

- a) about any Closing Event (and of any measures taken to resolve the situation) as soon as they gain knowledge thereof;
- b) if the Client is not a natural person, the initiation of bankruptcy proceedings, winding-up proceedings, municipal debt settlement proceedings, winding-up proceedings or any other proceedings having equivalent legal effect, as reasonably determined, against the Client, or after becoming aware of such proceedings;
- c) upon having gained knowledge that any person has initiated or is planning execution proceedings against the Client;
- d) if the Client qualified as a natural person (private individual) has initiated debt settlement procedures (either as a debtor or co-debtor) as per Act CV of 2015 on debt settlement procedure for private individuals, or is it under any such proceedings;
- e) if any of their representations made in the GM Framework Agreement are false or untrue in any respect;
- f) if they have been affected, or stopped being affected, by internal credit pursuant to Section 106 of the Credit Institutions Act.

If the Client has been set a Global Markets Limit by the Bank, the Client must notify the Bank immediately, but no later than within 1 (one) banking day, of any changes in the ownership of their significant assets

- a) of any changes in the ownership of their significant assets;

- b) of any disposal of their shareholdings in companies, other than publicly traded listed companies, or of the acquisition of such shareholdings, following the decision to do so;
- c) of any debt owed to a third party which is more than 30 (thirty) days overdue and has not been paid.

11.1.3. The Client shall ensure that the Bank or its agent is able to verify, to the extent necessary, the truthfulness of the declarations made by the Client, the fulfilment of the commitments, the financial and property situation of the Client and their significant assets, the existence and status of the securities, the validity of the LEI code and the provision of up-to-date data necessary for creating the national client identifier, within the scope and in the manner defined by general banking practice.

11.1.4. The Client may not assign or transfer any of their rights under the GM Framework Agreement or the Individual Transactions without the Bank's prior written consent.

11.1.5. The Client shall be obliged to monitor all information published by the Bank and made available to the Client, and to familiarise themselves with it and, as a result of the obligation of cooperation between the Parties, to indicate if they do not have any information or if they consider that additional information is necessary for their investment decision.

## **12. The Client's fulfilment of their payment and financial instrument service obligations**

12.1. As the place of the clearing and settlement of the Client's payment obligations under the GM Framework Agreement and the Individual Transactions, the Parties specify the following:

- a) the Payment Account listed in the GM Framework Agreement or in the Individual Agreement, if payments are to be made in Hungarian forints (HUF),
- b) the Foreign Currency Account listed in the GM Framework Agreement or in the Individual Agreement, if payments are to be made in foreign currency,
- c) the Consolidated Securities Account listed in the GM Framework Agreement or in the Individual Agreement, if performance is to be made in financial instruments.

12.2. The Client shall meet their credit obligation by ensuring that the given amount is available on the appropriate account whenever due, with the Bank having debited the account with such amount. The Bank shall meet its payment obligation by crediting the given amount to the appropriate account whenever due. By signing the GM Framework Agreement, the Client expressly authorises the Bank to debit the above accounts held by the Bank with the amount of the Client's credit obligation.

12.3. The Client fulfils their obligation to provide a financial instrument by the fact that the given amount of the financial instrument is available on the

corresponding account on the due date and has been debited to the account by the Bank. The Bank fulfils its obligation to provide a financial instrument by crediting the corresponding account with the given amount of financial instrument on the due date. By signing the GM Framework Agreement, the Client expressly authorises the Bank to debit the Securities Account held by the Bank with the amount of the Client's financial instrument service obligation.

### **13. Delay and default**

13.1. If the Client fails to perform, or fails to perform correctly, their obligations arising from their legal relationship with the Bank within the time limits set out in the Individual Transaction, the GM Framework Agreement, the collateral agreement, the Supplementary Announcement, the Collateral Announcement or the GM GTC, they will be in delay. A delay also qualifies as default.

13.2. The Client will be liable to pay default interest on the amount of money in delay on a daily basis from the second banking day following the date of the default, unless the default is excused. In the absence of a contractual provision, the Bank shall be entitled to determine the rate of default interest in accordance with the Bank's then current Fees or, in the absence thereof, in accordance with the then current interest rate under the Civil Code, or, at the Bank's option, in the interbank market for the settlement currency of the transaction, at the usual rate of the default or non-performance at the time of financing.

13.3. Should the Client fail to have the ownership of the financial instrument forming the subject of the Individual Transaction transferred at the respective due date, and

- a) the Bank, at its sole discretion, which shall not be deemed a waiver of any of its rights or claims, does not exercise its rights in accordance with Section A.II.16 and
- b) the Bank does not withdraw from the Individual Transaction at its sole discretion, which shall not be deemed to be a waiver of any right or claim,

the Client shall pay to the Bank a late payment penalty for each day of delay equal to the default interest rate under these GM GTC for the relevant financial instrument's market value on that day. The late payment penalty shall become due on the date on which the delay is cured by performance or on the dates specified by the Bank. Market value means, for the purposes of this Section, the price of any financial instrument at a given time, determined using a source generally recognised by the Bank. The Parties agree that the Bank shall have the right to choose the generally accepted source (stock exchange price (e.g. BSE, DB) for a stock exchange transaction, Refinitiv or Bloomberg for an OTC transaction). In the case of Hungarian government securities, the Bank is entitled to calculate the market value for the day on the basis of the benchmark returns communicated by the Government Debt Management Agency (ÁKK) on the date selected by the Bank.

#### **14. Material Exchange Rate Difference for Global Markets Services**

In the event of a Material Exchange Rate Difference, the Bank may withdraw from the transaction at any time after the transaction has been concluded. In the event of a lawful withdrawal, neither Party may have any claim against the other in connection with the given Individual Transaction. For the purpose of assessing the Material Exchange Rate Difference, the Reference Rate is determined by the Bank requesting indicative exchange rate data from at least three financial institutions for the relevant Global Markets Service and calculating the arithmetic average of these data. The Bank has the right to determine how much and from which financial institutions it requests exchange rate data.

#### **15. Closing**

An Individual Transaction is Closed by entering into / recording an Individual Transaction with the opposite direction to the Individual Transaction concerned, by selling or liquidating the relevant product, and such Individual Transaction is referred to as a closing transaction for the purposes of these GM GTC.

Partial Closing or Partial Liquidation of an Individual Transaction: a lifecycle event that results in the Individual Transaction continuing to exist with the same Trade Date as the Trade Date of the Partial Liquidation, with a face value reduced by the partially liquidated face value. The other parameters of the Individual Transaction are unchanged, the lifecycle events are the same as the lifecycle events of the Individual Transaction. The parties must fulfil their credit obligations arising from the Partial Liquidation.

- 15.1. The closing date is the date of conclusion/fixing of the closing transaction, sale or liquidation of a given product.
- 15.2. The Individual Transaction may be terminated at the initiative of the Client, by agreement between the parties or unilaterally by the Bank in the cases specified in the Business Regulations.
- 15.3. The Bank may unilaterally terminate any or all Individual Transactions with the Client upon the occurrence of any of the following Closing Events:
  - a) The Client fails to pay an amount payable pursuant to the GM Framework Agreement or any Individual Transaction, at the respective due date.
  - b) The Client fails to make available financial instruments pursuant to the GM Framework Agreement or any Individual Transaction at the respective due date.
  - c) The Client fails to comply with any other provision of the GM Framework Agreement, and this failure is not remedied (if remedy is at all possible) within five (5) banking days from the notification issued by the Bank.

- d) Any statements or representations made by the Client in or in connection with the GM Framework Agreement prove to be materially inaccurate in any respect as of the date on which they were made or repeated.
- e) An event of default occurs with respect to a contract of the Client or any interest thereof, embodying a financial obligation of considerable amount pursuant to the terms and conditions of the document setting forth such financial obligation, or the Client violates a contract entered into with the Bank or any of its affiliates (including in particular any close relations as per the Credit Institutions Act).
- f) Bankruptcy proceedings, compulsory or voluntary liquidation and debt settlement proceedings are initiated against the Client or any person initiates execution against the Client or their significant property items (unless disputed by the Client in good faith, in a manner satisfactory for the Bank and within the period available for this purpose).
- g) As a natural person and debtor/co-debtor, the Client has initiated debt settlement procedures as per Act CV of 2015 on debt settlement procedure for private individuals, or is it under any such proceedings.
- h) The Client fails to comply with their Collateral Obligation, or fails to comply with their contractual obligations, or fails to comply with their enhanced cooperation obligations in relation to their Collateral Obligation, as set out in Section A.II.7.2.1 of these GM GTC, in particular by failing to provide the Bank with the contact details specified therein.
- i) As a result of any change in law or application thereof or any transformation of a party after the date of the Individual Transaction, a party, on or before the due date of the payments or non-monetary settlements in respect of this Individual Transaction or other credit obligations (i) would be liable to pay any additional amounts due to tax or duty in addition to the amounts otherwise payable (other than for late payment) or (ii) any payment (other than for late payment) is made to the party from which tax or duty would be deductible. Transformation refers to the Client's merger or merger through consolidation or by absorption with or into another legal person, or the complete or near-complete transfer of all of its assets to another person, or any other contract stipulating the above.
- j) When, as a result of a change in any legislation or in the application thereof, or in case of a Force Majeure Event, taking place after the day the Individual Transaction is concluded, (i) the transfer or receipt of cash amounts or financial instruments on their due date in connection with the Individual Transaction or (ii) the accurate fulfilment of any other material obligation existing based on the Individual Transaction, or (iii) the meeting of a collateral obligation as required by the Framework Agreement or the Individual

Transaction becomes (or is likely to become) illegal or impossible for either Party.

- k) Changes taking place in the Client's financial, economic, business or legal status, which according to the Bank may have a considerably adverse effect on the Client's ability to meet their obligations arising from the GM Framework Agreement and the Individual Transaction when due.
- l) Any other Closing Event specified in the specific section of the GM GTC, the GM Framework Agreement or the Individual Transaction.
- m) The Bank is notified of the death of the Client in accordance with the Business Regulations or the Bank's General Business Regulations.
- n) The Client's funds and/or financial instruments held and managed by the Bank are subject to measures ordered by a court, public authority or other body, in particular, but not limited to, insurance measures, seizure, attachment, confiscation.

If any one of the above listed Closing Events occurs in respect of at least one (but not all) of the Individual Transactions existing between the Parties at the given date, this shall exclude the default of the Bank, even in Individual Transactions in connection with which no Closing Event exists.

In the event of a unilateral Closing of an Individual Transaction by the Bank, the Bank is the calculating party, and therefore the Bank may at its own discretion determine the rules and calculations to be applied when Closing an Individual Transaction, in particular the Bank determines the closing date and the amounts to be paid by the Client or the Bank. The parties shall settle the amounts determined by the Bank on the closing date, whereby the amounts payable by the Bank shall be set off against the amounts payable by the Client and the difference shall be paid by the corresponding party to the other party.

Unless otherwise provided for in the Business Regulations, in the event of the unilateral closing (forced liquidation) of an Individual Transaction by the Bank, the Bank shall act as if at the time of closing it had concluded a closing Individual Transaction with the same nominal value and currency as the Individual Transaction, but with the opposite direction.

- 15.3.1. The Parties expressly agree that the provisions of the GM GTC on Closing shall be deemed to be a close-out netting agreement under the Capital Market Act and Act XLIX of 1991 on Bankruptcy Proceedings and Liquidation, in which case the currency of payments shall be determined by the Bank, with the amounts expressed in the settlement currency being converted at the exchange rate determined by the Bank.
- 15.3.2. Some of the rights granted to the Bank in the GM GTC's provisions on Closing (in particular the choice of the discount factor, the determination of the price or exchange rate, if any) are rights which may be exercised as a result of assessment.
- 15.4. Procedure in the event of an extraordinary situation related to Closing

The Parties shall be deemed to be in an extraordinary situation for the purposes of Closing if settlement for Closing is not feasible for any reason, in particular because, depending on the Individual Transaction, on the value date or quotation date, the following data necessary for Closing are not available or available to a limited extent only:

- the settlement rate determined by the Parties,
- settlement price or exchange rate,
- reference price,
- interest,
- quoted interest rate,
- inflation index,
- variable price;

or the same is not or incorrectly published, or an Exceptional Market Situation as per the Business Regulations occurs. In the event of an extraordinary situation related to Closing, the Bank will determine the result of the Individual Transaction (using alternative prices or interest rates, resources, quantities, units) at its discretion. The rights assured for the Bank herein are rights which may be utilised as a result of evaluation and choice.

## **16. Modification, termination, expiry of the GM Framework Agreement**

16.1. The Client may also amend the GM Framework Agreement in relation to Individual Transactions by indicating the applicable Payment Account, Foreign Currency Account, Client Account, Securities Account number or, as regards the termination of the given account, provided that no third party has provided collateral for the Individual Transactions concluded under the GM Framework Agreement, by giving an oral order, by a recorded phone call or, after prior agreement, by sending an e-mail message to the e-mail address of the dealer indicated as authorised contact person on the Bank's website.

It shall not constitute a modification of the provisions of the GM Framework Agreement if the Bank requests additional consent or other declarations from the Client regarding the manner of notifications in order to use the Global Markets Services.

Given that the Parties enter into the GM Framework Agreement for an indefinite term, it may be terminated by either Party by giving 30 (thirty) days' notice in writing without giving any reason, and may be terminated by mutual agreement of the Parties. The ordinary notice of termination relating to the GM Framework Agreement shall not affect Individual Transactions already concluded, as these shall remain under the scope of the GM Framework Agreement. During the period of ordinary termination, the Client is only entitled to conclude transactions to close out live unsettled transactions or to initiate the release of excess blocked collateral.

The aggrieved party shall be entitled to terminate the GM Framework Agreement with immediate effect in the event of a serious breach by the other party. Prior to the notice with immediate effect, the other Party shall be called

upon in writing to discontinue its violating conduct with the proviso that, if the Bank refers to a Closing Event, this substantiates the Bank's right to termination with immediate effect without having to send such discontinuation notice. Based on the written notice of the Bank prior to termination with immediate effect, the Client shall take all necessary measures without delay to discontinue the violating conduct or condition.

- 16.2. In the event of extraordinary termination exercised by the Client, the Client shall, no later than the termination of the GM Framework Agreement, close out their outstanding unsettled Individual Transactions and make all payments due under the Individual Transactions.
- 16.3. Upon termination of the GM Framework Agreement, the Client shall be liable for the obligations already assumed by the Bank, both in the case of ordinary termination and in the case of termination with immediate effect.
- 16.4. The Bank is entitled to terminate the GM Framework Agreement with immediate effect in the cases of extraordinary termination under the Business Regulations, as defined therein, and in particular (but not exclusively) on the basis of the following significant reasons and circumstances, which constitute a serious breach of contract by the Client:
- a) The Bank would be obliged to reject conclusion of the agreement due to existing or developed circumstances pursuant to the Investment Firms Act.
  - b) There has been an adverse change in the Client's financial situation which has a negative effect on the Client's economic situation or threat thereof and which has a material adverse effect on or threatens to materially impair the Client's ability to bear risk.
  - c) The Client fails to comply with a request for the provision or replacement of collateral or any other credit obligation, or is in default of payment.
  - d) In the event the closing of any Individual Transaction and/or all individual transactions of the Client due to a Closing Event.
  - e) The Client fails to comply with their obligations set out in the GM GTC, in the event of the existence of grounds for immediate termination set out in the GM GTC and the referenced Business Regulations, contracts or if the Client commits any other serious breach of contract.
  - f) The Client who qualifies as a natural person has initiated debt settlement procedures either as a debtor or co-debtor as per Act CV of 2015 on debt settlement procedure for private individuals, or is it under any such proceedings.
  - g) The Client engages in conduct, provides data, makes statements that deceive or mislead the Bank by providing false data, facts, concealing data or otherwise.
  - h) The Bank deems that the Client's behaviour, their individual transactions concluded and their circumstances adversely affects or endangers the objectives and expectations outlined in the laws, supervisory recommendations, relevant business regulations and

contracts, or how other clients value the business activities of the Bank.

- i) The Client fails to provide the data relating to the Client necessary for the Bank to fulfil its obligation to provide information, upon the Bank's repeated request.
- j) There is a material change in the Client's full capacity to act or in the conduct of their affairs, given that full capacity is an essential condition without which the Bank would not have entered into a contractual relationship with the Client.
- k) The Client's funds and/or financial instruments held and managed by the Bank are subject to measures ordered by a court, public authority or other body, in particular, but not limited to, insurance measures, seizure, attachment, confiscation.

Failure to exercise its right to termination does not constitute a waiver of such right by the Bank.

16.5. In the event of the Client's death, the GM Framework Agreement shall terminate without any further legal action on the date on which the Bank has transferred the assets remaining after the closing of all Individual Transactions concluded and outstanding under the GM Framework Agreement, the settlement of the results of the Individual Transactions, the enforcement of the Bank's security interest and other claims and demands, to the accounts of the Client or their heirs as defined in the GM Framework Agreement.

16.6. Even after the termination of the contractual relationship between the Client and the Bank, the GM Framework Agreement and its annexes, the GM GTC, the Business Regulations, announcements shall remain valid and effective until the contractual relationship and transactions are fully completed and settled.

## **17. Contacting the Client**

17.1. The Client may indicate in the GM Framework Agreement or, if any, in the annex thereto, their authorised contact persons, the contact details for receiving and returning the confirmation of the transactions concluded and, in the case of financial institutions, the persons authorised to sign the confirmation sent by the Bank. The authorisation of the Client's contact person granted in the GM Framework Agreement or, if any, the Annex thereto, shall be considered to include receiving from the Bank information that constitutes bank secrets, securities secrets, tax and trade secrets or personal data relating to the Client, the Global Markets Services, the relevant contracts, payment and securities accounts.

17.2. If sent by the Bank to the Client to the latter's address or user account as specified in the GM Framework Agreement or reported following the GM Framework Agreement signature date,

- a) postal notifications,
- b) notifications sent by fax,
- c) notifications sent by e-mail,

d) notifications sent via the Trading-Communication Platform,

shall be deemed to have been notified to the Client, even if the notice was not actually delivered a) for items sent by registered post/with return receipt on the date specified in the General Business Regulations, b) for items sent by fax at the time when the confirmation message at the end of transmission is received by and is available to the Bank, c) for notifications sent by e-mail, when the information confirming the sending of the e-mail is available to the Bank (in its computer system), d) Trading-Communication Platform when the information proving that the notification has been sent is available to the Bank (in its computer system).

The Client shall (i) accept the Bank's mailings to the address specified in the GM Framework Agreement at the first attempted postal delivery, (ii) keep the fax machine, e-mail address, e-mail messages, computer equipment capable of receiving notifications sent via the Trading-Communication Platform specified in the GM Framework Agreement in working order and in all respects in a condition suitable for receiving notifications.

If authorised by the Client in the GM Framework Agreement and unless ruled out by relevant legislation, the Bank shall fulfil its information obligations — prior and otherwise — as stipulated in the Investment Firms Act and other legislation by way of notifications displayed on its website or sent out electronically. Alternatively, the Bank may decide to have such messages delivered to the Client through the use of communication channels specified in this Section.

17.3. With regard to Global Markets Services, the Bank allows the use of English in addition to Hungarian when concluding Individual Transactions by telephone or orally, subject to the availability of English-speaking dealers. Given that the Bank may reasonably assume that the Client will ensure that the Individual Transaction is concluded through a person who speaks and understands Hungarian, or English, as the case may be, the Client may not later rely on the fact that the Individual Transaction was concluded in a language that they do not understand. The Bank reserves the right to refuse to enter into an Individual Transaction if, in its opinion, the Client or the person acting on their behalf does not speak or understand either Hungarian or English.

17.4. Notwithstanding the provisions of Section A.II.17.3, the language of communication between the Parties shall be Hungarian and the Bank shall use Hungarian in its business relations. The Client acknowledges and accepts that the Bank shall comply with its legal obligations, in particular its obligation to provide prior information and to obtain prior information, its obligation to provide information after the execution of the order, its record-keeping obligations, notifications and other communications with the Client in Hungarian, except where the information is not available in Hungarian (e.g. in the case of foreign-issued instruments).

**18. Calculation of deadlines**

If the last day of any prescribed time limit falls on a day which is not a banking day, the last day of the time limit shall be the first following banking day. A banking day is a day established as a working day under the laws in force in Hungary, except for those business days which are considered bank holidays by the Bank.

**19. Fees, charges**

- 19.1. The fees applied by the Bank for the services provided under these GM GTC are set out in the Fees in force from time to time. Unless otherwise agreed by the parties, the Client shall pay to the Bank the fees and charges set out in the Fees.
- 19.2. At the Closing of an Individual Transaction, the Bank shall be entitled to charge a fee in connection with the relevant Order as stipulated in the pertaining Fees.
- 19.3. The Parties expressly stipulate that the Bank shall not advance either the costs generally associated with the administration and performance of the order, or other costs and charges.
- 19.4. Other fees, charges and other credit obligations related to other services provided by the Bank are set out in the fee announcements and tariffs related to the relevant Business Regulations.

## **B. Specific provisions**

### **I. INVESTMENT ADVISORY SERVICES**

- 1.1. If the Parties agree in the GM Framework Agreement that the Bank will provide investment advice to the Client, the following specific rules shall apply.
- 1.2. If no investment advice is provided in the course of communication through the Transaction Channel, then the resulting Individual Transaction does not fall within the scope of providing investment advice, the Bank shall not provide investment advice to the Client in relation to the Individual Transaction, and such Individual Transaction shall be concluded only at the Client's initiative.
- 1.3. The Bank is entitled to choose the Individual Transaction on Global Markets Services prior to which it wishes to provide investment advice to the Client. The Bank is also entitled to refuse the provision of investment advice to the Client following the date defined by it, even without the termination of the GM Framework Agreement.
- 1.4. By virtue of law, investment advice does not include advice given for the purpose of concluding an Individual Transaction for a Securities Lending Transaction, Spot Foreign Exchange Transaction or Individual Deposit Transaction.

### **II. GLOBAL MARKETS SERVICES FOR INDIVIDUAL TRANSACTIONS ON A TRADING VENUE**

#### **1. GENERAL RULES**

- 1.1. Unless otherwise provided for in the GM GTC, the rules applicable to the types of offers and transactions set out in the Business Regulations apply to Individual Transactions concluded on a trading venue and executed under the GM Framework Agreement. Except as otherwise provided in these GM GTC, the Execution and Allocation Policy shall also apply to the types of transactions covered by this Chapter.

The Client is also obliged to provide the Bank with all data that the Bank is legally obliged to transmit to the relevant trading venue, including transmission via the Execution Partner, at the latest when placing an order for an Individual Transaction.
- 1.2. Familiarity by the Client with the rules of the trading venue, clearing house and CCP that is the execution venue:
  - 1.2.1. The Client declares that they are fully familiar with the Trading Rules of the trading venue, clearing house and CCP that is the execution venue. The Bank is entitled to rely on the fact that the Client takes their legal actions in full knowledge of the Trading Rules. The Client undertakes to monitor the changes

of such Trading Rules and declares that the Individual Transaction does not conflict with the Trading Rules.

1.2.2. The Client declares that they have sufficient language skills to understand and interpret the documents made available in a foreign language in relation to the DB, the relevant Other Trading Venue, the financial instrument in question, in particular with regard to the regulatory and operational framework of the relevant market, the rules of trading and settlement.

1.2.3. On Other Trading Venues where the Bank has no direct trading rights, it shall execute Client Orders for financial instruments traded there by using an Execution Partner or by forwarding the Order to such Execution Partner for execution.

1.2.4. The Client's instructions must comply in all respects with the Trading Rules and the Client must not give any instruction that is not in accordance with or may lead to circumvention of the Trading Rules or compliance with which cannot be guaranteed even after due diligence. The Bank shall be entitled, but not obliged, to treat and fulfil as MARKET Orders those for an Individual Transaction concluded on BSE and featuring the "lowest/highest (market) price", or to proceed taking into account the default data defined in the previous paragraph.

1.3. Modification, revocation and termination of Individual Transactions

1.3.1. The Client is entitled to request the modification or termination of the Individual Transaction in accordance with the rules set out in these GM GTC. The modification or termination of an Individual Transaction is effected by the Bank's acceptance of the Client's modification or revocation, which is possible if (i) the modification or revocation is possible at all (in particular, it is not possible to modify or revoke already executed orders), (ii) the modification relates to a transaction parameter the modification of which is allowed according to the Trading Rules, (iii) the request for modification or revocation has been received by the Bank at a time so that, taking into account the provisions of the Trading Rules and the Bank's systems and resources, the modification or cancellation can be implemented in the system of the regulated market or the Execution Partner and it is accepted and approved by the relevant trading venue (BSE, DB) or Execution Partner.

1.3.2. The Parties stipulate that if the Bank is liable to pay any amount to KELER or any third party for any reason attributable to the Client's non-performance or improper performance, the Bank shall be entitled to re-charge such amount to the Client. The due date of the Client's credit obligation under this Section is the date on which the Bank is obliged to perform its credit obligation to KELER or the third party.

## **2. STOCK EXCHANGE SPOT TRANSACTION**

2.1. General rules

The general rules set out in this Chapter apply to all Stock Exchange Spot Transactions entered into in the Global Markets Services, regardless of the

trading venue concerned, unless these GM GTC contain a specific provision for that trading venue different from those set out herein.

2.1.1. The Bank shall perform the Stock Exchange Spot Transaction on the basis of the Client's order — pursuant to the Execution and Allocation Policy — on BSE, DB or another regulated market defined and accepted by the Bank, or with the cooperation of a party authorised to trade directly or indirectly on the specific regulated market, as Execution Partner, or forward the transaction to the above-specified markets for execution.

2.1.2. To enter into an Individual Transaction that is a Stock Exchange Spot Transaction, irrespective of the regulated market to which the Individual Transaction relates, the Parties must agree to the following terms:

- a) Name of the stock exchange product (including any unique identifier that uniquely identifies the stock exchange product, e.g. Bloomberg ticker, market code appearing in the name of the underlying product),
- b) volume,
- c) price of the stock exchange product,
- d) direction of the Stock Exchange Spot Transaction from the Client's point of view (buy/sell),
- e) type of Client's order
  - ea) MARKET,
  - eb) LIMIT,
  - ec) STOP (activation price) LIMIT,

for a STOP (activation price) LIMIT type offer, the relevant information is: the indication of the activation price and the limit price

ed) STOP (activation price) MARKET

for a STOP (activation price) MARKET type offer, the relevant information is: indication of the activation price.

If the Client wishes to place an order of a different type than the above, which is available at the relevant trading venue and which the Bank can accept, the Parties must also agree on the terms and conditions of such an order. The Bank is not obliged to provide the Client with the possibility to place an order in all of the order types permitted by the relevant trading venue.

- f) Temporal validity of the Client's order.

When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the Individual Transaction. The following shall be considered as the predefined default transaction parameters for the purposes of entering into a transaction under this Section:

- a) In the case of a LIMIT or STOP order given for securities belonging to the Equities Section of the stock exchange, the temporal validity

of the Client's order is for the day of the order, i.e. until the close of the Stock Exchange on that day;

- b) In the case of a LIMIT or STOP order given for securities belonging to the BSE Debt Securities, the temporal validity of the Client's order is for the day of the order, i.e. until 5.00 p.m. on that day.

Unless the clarity of the offer request is affected, the Client is entitled to omit the quantitative indication of the financial instrument concerned by the Offer (number of units, contract, etc.) and the currency when determining the limit price. In such a case, the quantity of the financial instrument is the "piece" and the currency is the currency of the financial instrument.

- 2.1.3. The Parties agree that it is no condition to the settlement (to the set-in of the credit obligation) that the Bank notifies the Client of the amounts payable or of the quantity of the securities to be made available in connection with the given Spot Transaction.
- 2.1.4. In interpreting the terms used in this Chapter, the parties shall be governed by the Trading Rules applicable in the place of execution of the relevant Individual Transaction.
- 2.1.5. If the Client fails to fulfil their obligations under the Individual Transaction within the time limit, they will be liable for the fees and other costs resulting from the closing of the Individual Transaction.
- 2.1.6. The execution by the Bank of any Individual Transaction relating to a Stock Exchange Spot Transaction is conditional upon the Client's compliance with their obligations under the GM Framework Agreement and any Individual Transaction relating to a Stock Exchange Spot Transaction, including, without limitation, their obligation to provide collateral and the obligation to provide securities as set out in the following paragraph.
- 2.1.7. In the case of a sell order in an Individual Transaction for a Stock Exchange Spot Transaction, the Client shall, immediately after the conclusion of the Individual Transaction, provide the Bank with the amount of the product specified in the Individual Transaction for the purpose of executing the Stock Exchange Spot Transaction.
- 2.2. Supplementary provisions for BSE Stock Exchange Spot Transactions
  - 2.2.1. BSE Stock Exchange Spot Transaction shall mean a transaction relating to any stock exchange product, listed in the Equities and Debt Securities Section according to the contents of the BSE Rules (including the BÉTa and Xtend markets), whereby the Parties undertake an obligation to the actual delivery of the subject-matter of the transaction without having determined the method and date of the performance, and in such case the obligation shall be fulfilled in the manner and at the date defined in the BSE Rules. A list of the stock exchange products covered by BSE Stock Exchange Spot Transactions is available at <https://www.bet.hu>.
  - 2.2.2. The BSE Stock exchange spot transaction shall come into existence with the recording of the data of the given transaction according to the BSE Rules. The

Bank shall act towards the Client within the framework of and in accordance with the rules of brokerage activity pursuant to the Investment Firms Act. The Client is obliged to provide all the data that the Bank is required to provide to BSE in connection with the Stock Exchange Spot Transaction.

- 2.2.3. On the basis of an Individual Transaction for a BSE Stock Exchange Spot Transaction, the Bank shall proceed for the conclusion of the BSE Stock Exchange Spot Transaction in its own name, but for the Client's benefit and at their cost, according to the BSE Rules and KELER Regulations, the professional traditions and practices and its own internal procedural order.

The BSE Rules and the KELER Regulations are available at the links below:

<https://www.bet.hu/Befektetok/Szabalyozas/Tozsdei-szabalyzatok>  
[https://www.keler.hu/Dokumentumtar/Szabályzatok/KELER%20Általános%20Üzletszabályzat/](https://www.keler.hu/Dokumentumtar/Szabalyzatok/KELER%20Altalános%20Üzletszabályzat/)

Settlement of the BSE Stock Exchange Spot Transaction will take place, in accordance with the KELER Regulations and the BSE Rules, in the Equities and Debt Securities Section by means of multilateral netting on the 2<sup>nd</sup> (second) banking day following conclusion of the transaction. The Client shall pay the amount to be paid, or provide the financial instrument to be provided, depending on the direction of the transaction, on the basis of the given BSE Stock Exchange Spot Transaction no later than on the 2<sup>nd</sup> (second) banking day following the conclusion of the transaction in the Equities and Debt Securities Section.

- 2.2.4. The Client must collect information about the amounts to be paid and the volume of securities to be provided in connection with a given BSE Stock Exchange Spot Transaction – on the basis of the BSE Rules and the KELER Regulations – and calculate the aforementioned amount / volume of securities, with the assistance of the information on fees and costs provided by the Bank in the context of the prior information. The Parties agree that the Bank may send a statement to the Client indicating the amounts to be paid/credited/amount of securities.

- 2.2.5. In interpreting the terms referred to in this Section, the parties shall be governed by the BSE Rules and the KELER Regulations.

- 2.3. Supplementary provisions for DB Stock Exchange Spot Transactions

- 2.3.1. XETRA is the trading platform operated by DB, where a wide range of financial instruments are available, in addition to securities issued in Germany. The list of financial instruments available on the DB and the DB Regulations are available on the following website: <https://deutsche-boerse.com>.

- 2.3.2. The Bank holds trading membership in the spot shares Section of DB. The Client may submit orders to the Bank concerning DB Stock Exchange Spot Transactions of the type and subject to the conditions stipulated in the DB Regulations. When executing a DB Stock Exchange Spot Transaction, the Bank shall act in accordance with the DB Regulations, professional customs and practices and its internal procedures in concluding the DB Stock Exchange

Spot Transaction on its own behalf but for the account and at the expense of the Client.

- 2.3.3. The clearing and settlement of securities transactions concluded on DB is performed through BNP. The clearing and settlement of the DB Stock Exchange Spot Transaction for German securities denominated in euro is cleared and settled on a net basis, centrally guaranteed by EUREX Frankfurt AG (D-60485 Frankfurt; as CCP). All other Individual Transactions relating to DB Stock Exchange Spot Transactions are settled gross in the BNP system.
- 2.4. Additional provisions for Stock Exchange Spot Transactions on Other Trading Venues
  - 2.4.1. The Bank provides the Client with trading facilities through the use of an Execution Partner on the Other Trading Venue or in respect of the financial instruments traded thereon. The actions of the Execution Partner shall be governed by the contract executed by such partner and the Bank, and by the jurisdiction stipulated therein.
  - 2.4.2. By signing the GM Framework Agreement, the Client expressly authorises the Bank to transmit their order for financial instruments traded on Other Trading Venues to the Execution Partner for execution. In case of using the Execution Partner, the Bank is entitled to dispose of the client accounts with the Execution Partner. The Client acknowledges and agrees that the Execution Partner may, but is in no way obliged to, execute their order for financial instruments traded on Other Trading Venues from its own account.
  - 2.4.3. The Bank will only accept an order for a Spot Transaction to be executed on the Other Trading Venue if the Execution Partner is able to execute it on the Other Trading Venue. The Bank draws the Client's attention to the fact that the Execution Partner may not always be able to execute all order types that may be given on the relevant Other Trading Venue, and the Bank is not obliged to provide the Client with the possibility to give an order for all of the financial instruments that may be traded on the relevant Other Trading Venue and all order types permitted by the Other Trading Venue. The Bank will inform the Client of these restrictions upon request.
  - 2.4.4. The Bank obtains information on the financial instrument tradable on Other Trading Venues from internationally recognised data reporting systems (Bloomberg, Refinitiv). The Client accepts and acknowledges that the internationally recognised data providers take no responsibility for the fullness of the provided information; accordingly it shall be the Client's responsibility to obtain comprehensive information concerning the respective Other Trading Venue and the financial instruments that can be traded there.
  - 2.4.5. The fees for Stock Exchange Spot Transactions concluded on Other Trading Venues are set out in the Fees. The Bank draws the Client's attention to the fact that there may be unforeseen situations where additional fees or costs may arise in connection with the execution of the order, in addition to the order fee set out in the Fees, which the Bank will inform the Client about. The Parties lay down that in such cases fees, in addition to the brokerage fee specified in

the Fees, may also be applied and the Client is obliged to reimburse them to the Bank.

- 2.4.6. By acknowledging the GM GTC and signing the GM Framework Agreement, the Client agrees that, unless otherwise provided, their order may be executed by the Execution Partner in split or combined with another order or debited from its own account.
- 2.4.7. The execution of the Stock Exchange Spot Transaction concluded in the Other Trading Venue shall be subject to making available on the Bank's account the financial instrument, in the case of sale or the consideration for the financial instrument, in the case of purchase, in accordance with the settlement instructions stipulated by the Execution Partner. The Client warrants that the financial instrument they wish to sell is free of any claims, demands or encumbrances.
- 2.4.8. The Client expressly acknowledges and agrees by signing the GM Framework Agreement that the assets (financial instruments, cash) held in the accounts of the Execution Partner with the Bank serve as collateral for the Execution Partner's claim against the Bank arising from the Stock Exchange Spot Transaction concluded on Other Trading Venues.

### **3. STOCK EXCHANGE FUTURES TRANSACTIONS**

#### **3.1. General rules**

The general rules set out in this Chapter apply to all futures Individual Transactions entered into in the Global Markets Services, regardless of the trading venue concerned, unless these GM GTC contain a specific provision for that trading venue different from those set out herein.

- 3.1.1. On the basis of the Client's order, the Bank executes or transmits for execution the stock exchange futures transaction on BSE, DB and other Trading Venues or through an Execution Partner, in accordance with the rules of the Execution and Allocation Policy.
- 3.1.2. In order to enter into an Individual Transaction for a Stock Exchange Futures Transaction, the Parties must agree to the following terms:
  - a) Name of the futures product.
  - b) Quantity of Contract (Lot Size).
  - c) Month and year of expiry.
  - d) Price of the stock exchange forward product.
  - e) The direction of the Stock Exchange Futures Transaction from the Client's point of view (sell/buy).
  - f) Type of Client order
    - fa) MARKET,
    - fb) LIMIT,
    - fc) STOP LIMIT
    - fd) STOP MARKET

Data to be used in case of a STOP (Activation Price) type offer: indication of the Activation Price.

If the Client wishes to place an order of a different type than the above, which is available at the relevant trading venue and which the Bank can accept, the Parties must also agree on the terms and conditions of such an order. The Bank is not obliged to provide the Client with the possibility to place an order in all of the order types permitted by the relevant trading venue.

g) Temporal validity of the Client's order

- 3.1.3. When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. The following shall be considered as the predefined default transaction parameters for the purposes of entering into a transaction under this Section: (i) type of order: LIMIT, (ii) temporal validity of the order: Good-for-Day.
- 3.1.4. The execution of any Stock Exchange Futures Transaction by the Bank is conditional upon the Client's compliance with their obligations under these GM GTC, the GM Framework Agreement and any Individual Transaction relating to the Stock Exchange Futures Transaction, in particular their obligation to provide/make available collateral.
- 3.1.5. The Client shall pay the brokerage fee set out in the Fees under the Stock Exchange Futures Transaction to the Bank immediately after the conclusion of the transaction. The brokerage fee paid by the Client will be returned to the Client in the event that the Stock Exchange Futures Transaction is not concluded.
- 3.1.6. Closing of Stock Exchange Futures Transactions at the Client's initiative
- The Client is entitled to initiate the total or partial Closing of any Stock Exchange Futures Transaction. A given Stock Exchange Futures Transaction is closed by entering into an Individual Transaction as defined in Section A.II.5 of these GM GTC. The Client can initiate the closing by entering into an Individual Transaction with the Bank and expressly specifying which existing Stock Exchange Futures Transaction is to be closed. Failing this, the closing is carried out on a FIFO basis for the futures instrument in question.
- a) The closing date is the date of conclusion of the closing Individual Transaction.
  - b) If one Stock Exchange Futures Transaction is closed on a closing date, the Bank will determine the result (loss or profit) of the Stock Exchange Futures Transaction to be closed based on the difference between the price of the Stock Exchange Futures Transaction to be closed and the price of the closing Individual Transaction.
  - c) If more than one Stock Exchange Futures Transaction is closed on a closing date, the Bank shall proceed in accordance with Section B.II.3.1.6. b) with respect to each Stock Exchange Futures Transaction to be closed, by aggregating the results of each Stock

Exchange Futures Transaction to be closed in accordance with Section B.II.3.1.6. b) for both parties.

- d) The above result and the balance of the aggregate result will be adjusted for amounts due but not paid under the GM Framework Agreement. Only the adjusted result or, respectively, the balance of the adjusted aggregated results shall be actually settled (debited or credited to the appropriate account). When adjusting the result or aggregate result in accordance with this paragraph, the Bank shall take into account the amount of any cash (HUF or foreign currency) collateral that may be due back to the Client.
- e) The Parties expressly lay down that the terms and conditions of Section B.II/3.1.6 c) and d) shall qualify as an agreement aimed at close-out netting. The currency of payments shall be determined in accordance with the provisions of Section A.II.12 of the GM GTC.
- f) The due date of the amounts payable, determined on the basis of Section B.II/3.1.6 b) and c) above, shall be the closing date.

### 3.1.7. Closing of Stock Exchange Futures Transactions by the Bank

3.1.7.1 In the event of a Closing Event, the Bank shall be entitled to close, with or without immediate effect, any and all Individual Transactions entered into with the Client relating to the Stock Exchange Futures Transaction(s) and to proceed to the Closing of the outstanding Stock Exchange Futures Transaction(s) and to charge the fee set out in the Fees in connection with the Closing. In the course of the Closure, the Bank shall proceed in accordance with Section B.II.3.1.6.

### 3.2. Supplementary provisions on BSE Stock Exchange Futures Transactions

3.2.1. The Parties understand a BSE Stock Exchange Futures Transaction to mean a Stock Exchange Futures Transaction entered into in respect of any futures instrument admitted to the Derivatives Section (equity, foreign exchange, interest rate, index-based) as defined in the BSE Rules.

#### 3.2.2. The BSE Stock Exchange Futures Transaction

- a) is created by the recording of the data of the given BSE Stock Exchange Futures Transaction in accordance with the BSE Rules and
- b) by confirmation by KELER.

3.2.3. Upon construing the terms above the Parties shall deem the contents of the BSE and KELER Regulations as governing the BSE Stock exchange futures transaction.

3.2.4. On the basis of an Individual Transaction for a BSE Stock Exchange Futures Transaction, the Bank shall proceed for the conclusion of the futures transaction in its own name, but for the Client's benefit and cost, according to the BSE and KELER Regulations, the professional usages and practices and its own internal rules of procedures.

3.2.5. Since the Bank enters into the BSE Stock Exchange Futures Transaction as a broker, the transaction is entered into for the benefit and at the expense of the

Client. In connection with the given BSE Stock Exchange Futures Transaction the Parties shall settle accounts in connection with the given BSE Stock Exchange Futures Transaction by no later than 11 a.m. on the day defined for settlement (settlement date) in the KELER Rules, after the Maturity Date of the Stock Exchange Futures Transaction. Settlement will be made by crediting or debiting the required amount of money or securities to the accounts specified in the GM Framework Agreement or, if this is not possible for any reason, to any bank account or securities account held by the Client with the Bank.

- 3.2.6. The Parties agree that if the Client wishes the performance of the given BSE Stock Exchange Futures Transaction by delivery — which is possible exclusively in case of equity transactions, but not in case of BSE Stock Exchange Futures Transaction on OTP shares —, in such case the Client shall provide that the required amount of money or securities, depending on the direction of the Stock Exchange Futures Transaction, shall be available on the accounts defined in the GM Framework Agreement at the exchange date preceding the Closing Date of the given BSE Futures Underlying Product, and the Bank shall be entitled to block such amount of money/quantity of securities on the account at the aforementioned date. If the required amount of money/securities is not available at 9.00 a.m. on the Closing Date, the Bank shall be entitled to close the relevant BSE Stock Exchange Futures Transaction on the Closing Date in order to settle the relevant BSE EStock Exchange Futures Transaction. The Parties shall settle accounts with each other in connection with the given Stock Exchange Futures Transaction, at the time set forth in the previous paragraph, even in the cases included in this paragraph.
- 3.2.7. The Parties agree that it is no condition to the settlement (to the set-in of the credit obligation) that the Bank notifies the Client of the amounts payable or of the quantity of the securities to be made available in connection with the given BSE Stock Exchange Futures Transaction. The Client must obtain information on the amounts to be paid and the volume of securities to be delivered in connection with a given BSE Stock Exchange Futures Transaction – based on the Settlement Price at Maturity and the BSE and KELER Rules – and calculate the aforementioned amount / volume of securities. The Bank may send a statement to the Client indicating the amounts to be paid/credited/amount of securities.
- 3.2.8. The Bank informs the Client that the execution of an OTP Stock Exchange Futures Transaction by delivery (transfer of OTP ordinary shares) by the Bank cannot be effected for legal reasons and cannot be demanded by the Client from the Bank, irrespective of the fact that the BSE Product List indicates "Delivery" as the method of execution of the given OTP Stock Exchange Futures Transaction. To this end, the Parties hereby agree that if the Client enters into an Individual Transaction with the Bank for an OTP Stock Exchange Futures Transaction and it is not Closed before maturity, the Bank shall close the OTP Stock Exchange Futures Transaction prior to the maturity of the OTP Stock Exchange Futures Transaction.

- 3.2.9. The Client's obligation to provide collateral in the case of BSE Stock Exchange Futures Transactions is determined in accordance with the type and amount of the Base Collateral, the terms of the relevant KELER notice and the terms of the Fees and the Collateral Announcement, which the Bank is entitled to amend unilaterally under the conditions set out in the Business Regulations.
- 3.2.10. The Bank shall be entitled to block the securities suitable for KELER (specified in the list of conditions for the acceptance of KELER securities), made available under the title of collateral security with KELER marked as the beneficiary, as collateral of the BSE Stock Exchange Futures Transaction.
- 3.2.11. The Bank regularly evaluates the Client's open position resulting from an Individual Transaction for a given BSE Stock Exchange Futures Transaction, even several times a day. The Bank's evaluation is based on the fact that, in accordance with the KELER Rules, it charges the Bank a price difference on each trading day for the BSE Stock Exchange Futures Transactions concluded, based on the daily settlement prices sent by BSE, but this evaluation may be affected by the Bank's internal rules and procedures. If the result of the evaluation is that the Base Collateral provides cover for the Client's credit obligations (open positions), that may derive from the Individual Transaction for the given BSE Stock Exchange Futures Transaction, to a smaller extent as compared to the date of conclusion of the transaction, or this may be justified according to the contents of the KELER Regulations, then the Bank shall be entitled to call upon the Client via fax to make available (supplement, increase) Supplementary Collateral, and the Client shall satisfy such notice without delay, but no later than on the day determined in the notice. The Parties agree that the type and amount of the Supplementary Collateral shall be determined by the Bank, whereby the Bank shall not be bound by the amount and type of the Base Collateral determined at the time of conclusion of the transaction.
- 3.2.12. Transfer of BSE Stock Exchange Futures Transactions
- 3.2.12.1 Upon the Client's written request to the Bank, the Bank will attempt to transfer the Stock Exchange Futures Transaction (i) to another client of the Bank and (ii) to another clearing member/sub-clearing member, taking into account that the position transfer is possible with a position transfer request of the transferor and the transferee with the same content, as defined in the KELER and BSE Regulations. The Bank is entitled to charge the fee set out in the Fees in connection with the position transfer. The transfer of a Stock Exchange Futures Transaction by the Client may only take place if the Client has fulfilled their payment obligations to the Bank arising from the open position affected by the transfer.
- 3.3. Additional provisions for Stock Exchange Futures Transactions on Other Trading Venues
- 3.3.1. The Bank provides the Client with trading facilities for financial instruments traded on Other Trading Venues through the use of an Execution Partner. The actions of the Execution Partner shall be governed by the contract executed by such partner and the Bank, and by the jurisdiction stipulated therein.

- 3.3.2. By signing the GM Framework Agreement, the Client expressly authorises the Bank to transmit their order for financial instruments traded on Other Trading Venues to the Execution Partner for execution. In case of using the Execution Partner, the Bank is entitled to dispose of the client accounts with the Execution Partner. The Client acknowledges that the Bank shall determine the Base Collateral requirement for Stock Exchange Futures Transactions concluded through the Execution Partner on Other Trading Venues on the basis of the clearing house's valuation at the time of conclusion of the transaction and may adjust it after the conclusion of the transaction. Accordingly, the Client is obliged to provide the Base Collateral requested by the clearing house, to the extent specified in the Collateral Announcement, within the time limit set by the Bank. The Client acknowledges that the Bank will determine the Supplementary Collateral Requirement for Stock Exchange Futures Transactions entered into through the Execution Partner on Other Trading Venues on the basis of the clearing house's assessment. Accordingly, the Client shall provide the Supplementary Collateral in the settlement currency of the relevant Individual Transaction within the time limit set by the Bank.
- 3.3.3. The Bank will only accept an order for a Stock Exchange Futures Transaction to be executed on an Other Trading Venue if the Execution Partner is able to execute it on that Other Trading Venue. The Bank draws the Client's attention to the fact that the Execution Partner is not able to execute all order types that can be given on the given Other Trading Venue, and the Bank is not obliged to provide the Client with the possibility to give an order for all of the financial instruments and order types that can be traded on the given Other Trading Venue, and the Bank has no obligation to conclude a contract with the Client for an Individual Transaction. The Bank will inform the Client of these restrictions upon request.
- 3.3.4. The Bank obtains information on the instruments traded in the context of Stock Exchange Futures Transactions on Other Trading Venues from internationally recognised data reporting systems (Bloomberg, Refinitiv). The Client accepts and acknowledges that the internationally recognised data providers take no responsibility for the fullness of the provided information; accordingly it shall be the Client's responsibility to obtain comprehensive information concerning the respective Other Trading Venue and the financial instruments that can be traded there.
- 3.3.5. In the event of the closing of a Futures Transaction concluded on another Trading Venue, the provisions of these GM GTC relating to the closing of Stock Exchange Futures Transactions shall apply mutatis mutandis, with the exception of the provisions set out in Section B.II.3.3.6 of these GM GTC, unless they conflict with the applicable regulations or the contractual terms of the Execution Partner, in which case the latter shall govern.
- 3.3.6. In the case of Stock Exchange Futures Transactions concluded on Other Trading Venues where the Contract is delivered (i.e. not financially settled), the Bank is entitled to close the Stock Exchange Futures Transaction concluded on the open Other Trading Venue with a reverse Individual Transaction on the futures market of the relevant product after 3:00 p.m. CET

on the banking business day preceding the last trading day or the so-called 'first notice day'.

- 3.3.7. Under MiFIR, indirect clearing arrangements are possible for exchange-traded derivatives. If the Bank is not a clearing member in the system operated by the CCP clearing the Stock Exchange Futures Transaction on the Other Trading Venue, it enters into an indirect clearing arrangement with the Execution Partner participating in the clearing membership system operated by that CCP and the Client is an indirect client (or, if the Execution Partner is not a clearing member in the clearing membership system operated by that CCP but a client of a clearing member, a level 2 indirect client).
- 3.3.8. The general terms and conditions of the indirect clearing services provided by the Bank are set out in these GM GTC and in the announcement entitled "*EMIR Article 39(7), MiFID II RTS 6 Article 27(2), EMIR 149/2013 RTS, and Indirect Clearing RTS Disclosure Document – Direct and Indirect Clearing Services*".
- 3.3.9. If the Bank and the Client enter into a Stock Exchange Futures Transaction, other stock exchange or Stock Exchange Options Transaction, it shall also constitute an indirect clearing arrangement, by entering into which the Client agrees that the Bank shall ensure and provide the indirect clearing arrangements in line with these GM GTC and the announcement titled "*EMIR Article 39(7), MiFID II RTS 6 Article 27(2), EMIR 149/2013 RTS, and Indirect Clearing RTS Disclosure Document – Direct and Indirect Clearing Services*".
- 3.3.10. If the Client enters into an Individual Transaction for an exchange-traded derivative product for which the Bank does not act as clearing member, the Individual Transaction shall be settled in accordance with the indirect clearing arrangement.
- 3.3.11. The Bank shall provide the Client who is an indirect client with a choice of the following account types at least in accordance with the provisions of Article 4(2) of Regulation (EU) 2017/2154:
- a) an omnibus account with assets and positions held by the Client for the account of its indirect clients (basic (net) omnibus indirect client account – BOSA);
  - b) an omnibus account with the assets and positions held by that client for the account of its indirect clients, in which the clearing member shall ensure that the positions of an indirect client do not offset the positions of another indirect client and that the assets of an indirect client cannot be used to cover the positions of another indirect client (gross omnibus indirect client account – GOSA).
- 3.3.12. The Client may make their choice regarding segregation in a separate written declaration, at a Bank Branch or, in individual cases, through the contact methods indicated in the GM Framework Agreement. Unless and until the Client expressly states otherwise, their assets and positions will be held in a BOSA-type account.
- 3.3.13. The Bank undertakes to meet all obligations of the Client as an indirect client to the clearing member under the indirect clearing arrangement. The Client shall compensate the Bank for all expenses, costs and losses incurred or

sustained by the Bank as a result of or in connection with the Bank's compliance with their legal obligation to meet all obligations of the indirect client to the clearing member under the indirect clearing arrangement.

#### **4. STOCK EXCHANGE OPTIONS**

This product is currently not available, and the Bank will provide information about its availability in a separate announcement.

##### **4.1. General rules**

The general rules set out in this Chapter apply to all Individual Transactions for stock exchange options entered into in the Global Markets Services, regardless of the trading venue concerned, unless these GM GTC contain a specific provision for that trading venue different from those set out herein.

4.1.1. On the basis of the Client's order, the Bank executes or transmits for execution the Stock Exchange Options on BSE and other regulated markets determined and accepted by the Bank, or through an Execution Partner, in accordance with the rules of its Execution and Allocation Policy. Where the Bank is not a clearing member of the CCP clearing the relevant Stock Exchange Options, the provisions of Section B.II.3.3.10. shall apply mutatis mutandis.

4.1.2. In order to enter into an Individual Transaction for Stock Exchange Options, the Parties must agree to the following terms:

- a) Name of Stock Options Product / Contract,
- b) Quantity of Contract (Lot Size),
- c) Product maturity date,
- d) Exercise price,
- e) Option price,
- f) The direction of the Stock Exchange Options from the Client's point of view (sell / buy),
- g) Temporal validity of the Client's order.

4.1.3. When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. When entering into a transaction under this Section, the following shall be deemed to be default transaction parameters (i) the time scope of the Client's order: Good-for-Day.

The name, abbreviated name or ISIN number of the product concerned may also be used to designate the product in the request for an offer.

Unless the clarity of the offer request is affected, the Client is entitled to omit the quantitative indication of the financial instrument concerned by the offer (number of units, contract, etc.) and the currency when determining the limit price. In such a case, the quantity of the financial instrument is to be understood in "pieces" and the currency is the currency of the financial instrument. The Client is aware of the risks of the messages sent on the Trading-Communication Platforms and expressly acknowledges them. The Bank shall not be liable for any damage resulting from the ambiguity or

inaccuracy of the request for an offer sent via the Trading-Communication Platforms.

If, in the Bank's opinion, the Client's request for an offer sent by short form is incomplete, inaccurate or ambiguous, the Bank is not obliged to make an offer. The Bank shall not be liable for any damage resulting therefrom.

By submitting their offer by short form, in particular, but not exclusively, by submitting an Offer via the Bloomberg chat platform, the Client expressly acknowledges the risks involved and that the Bank excludes its liability for any damage that may arise due to the ambiguity or inaccuracy of the offer.

The Bank is entitled to reject an offer made by short form if it considers it incomplete, inaccurate or ambiguous. The Bank shall not be liable for the rejection of the offer for such reasons.

#### 4.2. Additional provisions concerning BSE Stock Exchange Options

4.2.1. The term BSE Stock Exchange Options shall refer to any option instruments introduced to the Derivatives Section (the underlying asset being a share, currency or index) pursuant to BSE Rules.

4.2.2. The BSE Stock Exchange Option

- a) is created by the recording of the data of the given BSE Stock Exchange Option in accordance with the BSE Rules and
- b) by confirmation by KELER.

The Bank entering into the BSE Stock Exchange Options is in a legal relationship with KELER for the execution of the BSE Stock Exchange Options.

4.2.3. Unless otherwise provided for in this Chapter B.II.4, BSE Stock Exchange Options shall be subject to the provisions of B.II.2 and B.II.3 applicable to BSE Stock Exchange Futures Transactions in such a way that

- where Chapters B.II.2 and B.II.3 read "Futures Transaction", it shall be deemed to be read "Options Transaction" for the purposes of this Chapter B.II.4.

4.2.4. The Client acknowledges that the Bank will not enter into a BSE Stock Exchange Options contract for an individual OTP share for legal reasons.

### III. GLOBAL MARKETS SERVICES FOR OFF-TRADING VENUE (OTC) TRANSACTIONS

The transactions referred to in this Chapter are concluded between or executed by the Parties outside a trading venue (such as a regulated market, MTF and OTF) (OTC). In the case of execution of OTC transactions, Section v(c) of the Execution and Allocation Policy shall be governing.

The Parties agree, with respect to certain financial and other services that may be provided by the Bank or used by the Client in the off-trading venue (OTC)

market and in accordance with the provisions of these GM GTC, to provide the possibility to make an offer by short form in accordance with market conventions on the Trading-Communication Platforms. Offers may be submitted by short form via RFQ messages sent through the Trading-Communication Platforms and, in addition, via chat messages sent through the Bloomberg system only.

The name, abbreviated name or ISIN number of the product concerned may also be used to designate the product in the request for an offer.

By submitting their offer by short form, in particular, but not exclusively, by submitting an Offer via the Bloomberg chat platform, the Client expressly acknowledges the risks involved and that the Bank excludes its liability for any damage that may arise due to the ambiguity or inaccuracy of the offer.

The Bank is entitled to reject an offer made by short form if it considers it incomplete, inaccurate or ambiguous. The Bank shall not be liable for the rejection of the offer for such reasons.

## **1. FORWARD FOREIGN EXCHANGE TRANSACTIONS**

### **1.1. Lifecycle events for Forward Foreign Exchange Transactions:**

- a) Closing of an Individual Transaction for Forward Foreign Exchange Transactions: the conclusion of a new transaction which is identical in maturity, nominal value and currency pair to another transaction concluded previously, but its "direction" (sell/buy) is opposite to the one concluded previously.
- b) Cancellation of an Individual Transaction for a Forward Foreign Exchange Transaction: the concluded transaction will be cancelled.
- c) Liquidation of an Individual Transaction for a Forward Foreign Exchange Transaction: a lifecycle event that results in the termination of future obligations between the parties to the transaction, the transaction is given a liquidated status, all parameters of the transaction are unchanged, but there will be no further lifecycle events. The liquidation date cannot be earlier than the value date of the closing transaction.
- d) Discounting of an Individual Transaction for a Forward Foreign Exchange Transaction: the early settlement of the liquidation result of the payment obligation resulting from the net settlement of the opening and closing transactions, no later than on T+2, following the conclusion of the closing transaction, where the Bank applies the interest rate specified in the Fees to determine the net present value of the obligation.

### **1.2. Conditions of Individual Transactions for Forward Foreign Exchange Transactions**

Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on a Forward Foreign Exchange Transaction:

- a) forward exchange rate.

- b) Settlement date/maturity date, on which the Parties are obliged to settle the relevant Forward Foreign Exchange Transaction with each other.
- c) Quantity and direction of the Forward Foreign Exchange Transaction, the foreign exchange pairs.
- d) The Individual Transaction can be deliverable or non-deliverable. In the case of a non-deliverable Forward Foreign Exchange Transaction (NDF), the subscription date, time and place of the settlement price, as well as its price source.

When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. The default transaction parameters for the conclusion of a transaction under this Section are: deliverable Individual Transaction.

#### Execution of a Forward Foreign Exchange Transaction

In case of a Forward Foreign Exchange Transaction (except for NDF) the amounts payable by each Party shall be accounted for and booked (debited, credited) in the gross way, on the appropriate accounts.

In the case of an NDF transaction, the result of the transaction is accounted for and recorded net on the settlement date based on the value of the settlement rate on the settlement date.

The date, time, place and source of the settlement rate of the NDF transaction shall be determined by agreement of the parties, on the basis of which the Bank shall determine the settlement rate.

### 1.3. Different provisions for Long-Term Investment Accounts (LTIA) T+3 FORWARD Transactions

Different provisions for fully collateralised T+3 day foreign exchange forward transactions concluded on an LTIA account are set out in Section B.IV.5.3. of the Business Regulations.

## 2. FORWARD DEALS IN PRECIOUS METALS (GOLD AND SILVER)

2.1. The parties shall enter into the Forward Deals in Precious Metals with each other on the OTC market.

2.2. The Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction for a Forward Deal in Precious Metals:

- a) Designation of precious metal,
- b) Quantity,
- c) The direction of the Individual Transaction from the Client's perspective,
- d) Reference market,
- e) Settlement currency,

- f) The strike price for a unit of a precious metal quoted in a specific currency agreed by the parties at the time of the conclusion of the transaction, which is not the same as the price quoted on the reference market on the date of the conclusion of the transaction;
- g) Reference, settlement price,
- h) Date and time within the fixing day of the settlement price, if not clear/not relevant (Fixing Date),
- i) Settlement / Maturity Date, meaning the day defined as such by the Parties on which day they have to mutually settle accounts in the given Forward Deal in Precious Metals.

2.3. When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

2.4. The performance of a given Forward Deal in Precious Metals may exclusively occur through financial settlement, namely the physical delivery of the Precious Metal does not take place under any circumstances. In case of a Forward Deal in Precious Metals with settlement, only the result of the legal transaction shall be settled on the appropriate accounts as follows.

2.4.1. When placing an order, the Client is obliged to monitor the position limits set by the Hungarian legislation and the legislation governing the operation of the reference market, as well as the Reference Regulations, and to duly comply with the required notifications and data reporting. It is the Client's obligation and responsibility to comply with the notification and reporting obligations, and the Bank is not liable for the consequences of failure to do so

Unless the Client notifies the Bank at the same time as the receipt of the official decision on exemption, informing the Bank that the Client is exempt from the application of the position limits pursuant to *Article 8 and 9 of Commission Delegated Regulation (EU) 2022/1302*, the Bank shall consider the Client as being subject to the position limits. The Client must provide the Bank with a copy of the document of the official decision on the exemption from the position limit.

The Client is also obliged to notify the Bank when placing an order if the Individual Transaction is a risk mitigating position directly related to their trading activity.

If the Client fails to provide the Bank with the information required by these GM GTC regarding the exemption from the position limit, the Bank will treat and report its Individual Transactions as non-hedging transactions.

### **3. FOREIGN EXCHANGE SWAP (FX SWAP)**

3.1. An FX Swap is equivalent in business effect to the conclusion of a spot or forward foreign exchange transaction and a forward foreign exchange transaction for the same or different amounts, with opposite direction and different exchange rates, and with a later maturity. Unless otherwise agreed, an FX Swap is a deliverable transaction for both legs.

With respect to matters not covered by this Section, the provisions set out in Part B of these GM GTC shall apply mutatis mutandis to the Forward Foreign Exchange Transaction and (if the near leg is a spot transaction) to the Spot Foreign Exchange Transaction.

### 3.2. Terms of the Individual Transaction for FX Swap

The Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on an FX Swap:

- a) FX pair (FX1 / FX2);
- b) The direction and amount of the first/near leg of the FX Swap in FX1 or FX2 and the amount of the far leg, if different from the near leg;
- c) The exchange rate of the near leg of the FX Swap (near leg exchange rate);
- d) Value Date1: the settlement date of the near leg of the FX Swap, which is the value date on which the Parties are due to settle with each other at the exchange rate of the first leg of the FX Swap, which is in any event earlier than Value Date2, the value date of the far leg of the FX Swap;
- e) The exchange rate of the far leg of the FX Swap (far leg exchange rate);
- f) Value Date2: the settlement date of the far leg of the FX Swap, which means the value date on which the Parties are obliged to settle with each other at the exchange rate of the far leg of the FX Swap, which is in any case later than Value Date1, the value date of the near leg of the FX Swap;

When entering into an Individual Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

### 3.3. Performance of the FX Swap Transaction

In case of a FX Swap Transaction the amounts subject to the given legal transaction, payable by the individual Parties shall be settled and booked (debited, credited) in the gross way on the appropriate accounts, as follows: The Client must ensure that the amount of money (FX1 or FX2) to be paid by them under the given FX Swap is available no later than 12:00 noon on Value Date 1 and 12:00 noon on Value Date 2.

The Bank shall settle its credit obligation arising from the given FX Swap Transaction on Value Date 1 and Value Date 2 by crediting the accounts specified by the Client at the time of concluding the Individual Transaction or, failing that, the accounts selected by the Bank.

### 3.4. Rolling with FX Swap

The Client may modify the financial effect of an existing outstanding liability under an existing, unsettled Spot Foreign Exchange Transaction, Individual Transaction for a Forward Foreign Exchange Transaction or FX Swap as an underlying transaction item by placing an order for a rolling FX Swap. The financial effect of rolling is a change in the maturity date of the underlying

transaction, which, as compared to the maturity date of the rolled transaction, reschedules the result of the underlying liability

- a) to a date further away, which is called rollover, or
- b) to an earlier date, which is called rollback.

The creation of a rolling FX Swap does not affect the performance of the obligation under the underlying transaction.

3.4.1. The face value of the FX Swap that results in a roll can be equal to or less than the face value of the underlying transaction. In relation to a rolled underlying transaction, an order may be placed for more than one FX Swap for an amount less than the face value of the underlying transaction, but, even if there is more than one partial roll, the rolled amount cannot be greater than the total face value of the underlying transaction.

3.4.2. Rollover

3.4.2.1 In the case of a rollover, the value date of the near leg of the FX Swap (Value Date1) is the same as the maturity date of the underlying transaction. During rollover, the exchange rate of the near leg of an FX Swap is equal to the exchange rate of the underlying transaction (spot leg in case of a Spot Foreign Exchange Transaction, forward leg in case of a Forward Foreign Exchange Transaction, far leg in case of an FX Swap). The difference between the near and far leg of an FX Swap for rolling can only be determined by current market conditions.

3.4.3. Rollback

3.4.3.1 In the case of a rollback, the value date (Value Date2) of the far leg of the FX Swap for rolling is the same as the maturity date of the underlying transaction. At rollback, the difference between the near and far leg of an FX Swap for rolling can only be determined by current market conditions. The value date of the far leg of the rolling FX Swap (Value Date2) may fall on the day of placing the order for the rolling FX Swap or on a value date after the date of placing the order but before the expiry date of the underlying transaction.

## **4. INTEREST RATE SWAPS**

### **4.1. Interest rate swaps (single currency)**

4.1.1. The Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction for Interest Rate Swaps:

- a) Principal amount. The Parties understand the principal amount to be the amount in a currency quoted by the Bank as the basis for calculating the fixed and variable interest for a given interest payment period (specification of amount),
- b) Currency of the principal amount,
- c) The starting date, from which the fixed and variable interest is calculated for the first interest period.
- d) Maturity date, which is the last day of the maturity period.
- e) Character of the Interest Rate Swap:

- ea) Fixed Interest Rate — Floating Rate
- eb) Floating Rate — Floating Rate
- f) Basis for calculating interest rates for fixed and floating rates.
- g) Interest period
- h) Interest Payment Dates of the Client (both the indication by calendar day and any other method shall be applicable).
- i) "A" rate.
- j) "A" quotation dates (if the "A" rate is floating). "A" Quotation Date shall mean the day on which the "A" interest rate is quoted relating to the first calendar day of the relevant interest payment period (both the indication by calendar day and any other method are applicable).
- k) The Bank's interest payment dates (either by date or any other method).
- l) "B" rate.
- m) "B" quotation dates (if the "B" rate is floating). Quotation date "B" shall mean the day on which the interest rate "B" is quoted relating to the first calendar day of the relevant interest payment period (both the indication by calendar day or any other method shall be applicable).
- n) Amortization rate (changes in the notional amount from the value date to the maturity date), if the Parties agree on amortization.

If an Individual Transaction for an Interest Rate Swap is concluded by telephone in accordance with these GM GTC, the terms and conditions of the Interest Rate Swap may be agreed by means of an e-mail message sent before or during the telephone conversation, subject to the provisions of Section A.II.5.2.5. of these GM GTC, which the Client accepts together with the other terms and conditions of the Individual Transaction during the telephone conversation.

When entering into an Interest Rate Swap, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. In particular, the following shall be deemed to be the default transaction parameters for the purposes of entering into a transaction under this Section: If the interest payment frequency and the fixing quotation frequency coincide, the interest period does not need to be pronounced.

4.1.2. The interest calculation rules applicable to the Interest Rate Swap are set out in Section B.III.4.1.6. The Parties agree that, unless otherwise agreed, Rule A/360 shall apply as the interest calculation rule, but the Parties may apply a different interest calculation rule in the Individual Transaction for the Interest Rate Swap in accordance with Section B.III.4.1.6.

4.1.3. The period during which interest A and interest B are payable on the notional amount shall be divided into successive Interest Payment Periods, each of which (except the first) shall begin on the last calendar day of the preceding

such period and (except the last) shall end on the last calendar day of such period. The first interest payment period starts on the starting date and the last interest payment period ends on the maturity date.

4.1.4. The length of the interest payment periods may differ for the Party paying interest "A" and the Party paying interest "B". Any interest payment date specified in relation to a relevant Party at the time of entering into a transaction shall mean the last calendar day of that Party's current interest payment period. The Parties to an Interest Rate Swap are obliged to make payments on each interest payment date. Unless otherwise agreed by the Parties, if the given Interest Payment Date falls on a non-banking day, the payments will be settled on the following banking day.

4.1.5. The payment obligations arising from an Interest Rate Swap shall be paid in the currency of the notional amount of the Interest Rate Swap.

4.1.6. The interest calculation rule applicable to the Interest Rate Swap, unless otherwise agreed by the parties, is the Actual/360, Act/360 or A/360 rule, which is

- the number of calendar days (numerator) in the relevant interest payment period divided by 360 (denominator).

## **4.2. Cross Currency Interest Rate Swap**

4.2.1. Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on a Cross Currency Interest Rate Swap transaction:

- a) FX pair (FX1 / FX2)
- b) the exchange rate of the principal amounts applied on the starting and end dates of the term
- c) Sum of FX1 and FX2
- d) determining whether the exchange of foreign currency amounts will actually take place on the value date and/or the maturity date
- e) the Party paying the amount of FX1 on the value date and receiving it back on the maturity date (if the currency exchange(s) actually take place on the value date and/or the maturity date)
- f) The Party paying the amount of FX2 on the value date and receiving it back on the maturity date (if the currency exchange(s) actually take place on the value date and/or the maturity date)
- g) The value date is the settlement date for the exchange of foreign currency amounts at the start (if the exchange actually takes place at the start) or the date from which the fixed and/or floating interest rate(s) is (are) calculated for the first interest payment period.
- h) Maturity date means the settlement date for the exchange of foreign currency amounts at maturity (if the exchange of foreign currency amounts actually takes place at maturity) or the date on which the fixed and/or floating interest rate(s) is/are calculated for the last interest payment period.
- i) the interest-bearing nature of the transaction:
  - ia) Fixed Interest Rate — Floating Rate
  - ib) Fixed interest rate — fixed interest rate

- ic) Floating Rate — Floating Rate
- j) Basis for calculating interest rates for fixed and floating rates
- k) FX1 interest rate
- l) FX2 interest rate.
- m) Quotation dates (if the FX1 rate and/or FX2 rate is floating). Quotation date shall mean the day on which the FX1 interest rate and/or the FX2 interest rate is quoted relating to the first calendar day of the relevant interest payment period (both the indication by calendar day and any other method are applicable).
- n) The Party paying the FX1 interest.
- o) Interest payment dates of the Party paying the FX1 interest (both the indication by calendar day and any other method shall be applicable).
- p) The Party paying the FX2 interest.
- q) Interest payment dates of the Party paying the FX2 interest (both the indication by calendar day and any other method shall be applicable).
- r) Amortization rate (changes in the amount of FX1 and FX2 from the value date to the maturity date), if the Parties agree on amortization.

If an Individual Transaction for a Cross Currency Interest Rate Swap is concluded by telephone in accordance with these GM GTC, the terms and conditions of the Individual Transaction may be agreed by means of an e-mail message sent before or during the telephone conversation, subject to the provisions of Section A.II.5.2.5. of these GM GTC, which the Client accepts together with the other terms and conditions of the Individual Transaction during the telephone conversation.

When entering into a Cross Currency Interest Rate Swap, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

- 4.2.2. The interest calculation rules applicable to the Cross Currency Interest Rate Swap are the same as those applicable to a Single Currency Interest Rate Swap. Unless otherwise agreed, the Parties shall apply the interest calculation rules set out in Rule A/360.
- 4.2.3. The period during which the FX1 Interest and FX2 Interest is payable shall be divided into consecutive periods, each of which (except the first) begins on the last calendar day of the preceding such period and (except the last) ends on the last calendar day of that period. The first interest payment period starts on the value date and the last interest payment period ends on the maturity date.
- 4.2.4. The length of the interest payment periods may differ for the Party paying the FX1 Interest and the Party paying the FX2 interest. Any interest payment date specified in relation to a relevant Party at the time of entering into a transaction shall mean the last calendar day of that Party's current interest payment period. In a given Cross Currency Interest Rate Swap, the Parties shall be obliged to the payments at the individual interest payment dates. Unless otherwise

agreed by the Parties, if the given interest payment date falls on a non-banking day, the payments will be settled on the following banking day.

- 4.2.5. The interest payment obligations arising from a Cross Currency Interest Rate Swap are payable in the currency of FX1 for the FX1 interest and in the currency of FX2 for the FX2 interest.

4.2.6. Settlement of Cross Currency Interest Rate Swaps

In case of a Cross Currency Interest Rate Swap the amounts subject to the given legal transaction, payable by the individual Parties shall be settled and booked (debited, credited) in the gross way on the appropriate accounts, as follows:

The Client must ensure that the funds (in foreign currency or HUF) payable by them under the given Cross Currency Interest Rate Swap are available by 12:00 noon at the latest on the value date and on the interest payment dates. The Bank shall settle its credit obligation arising from the relevant Cross Currency Interest Rate Swap by crediting the relevant accounts on the value date or on the interest payment dates.

## 5. FOREIGN EXCHANGE OPTION TRANSACTIONS

- 5.1. To enter into a Foreign Exchange Option Transaction, the Parties must agree to the following terms:

- a) Option direction from the Client's point of view (the seller or buyer of the option)
- b) Option style (European, American)
- c) Type of Foreign Exchange Option Transaction (call option, put option)
- d) For barrier options, the type of barrier(s) (knock-in, knock-out, double knock in, double knock out), for digital options, the type of digital barrier(s) (one touch, no touch, double one touch, double no touch option).
- e) The face value of the Foreign Exchange Option Transaction
- f) The currency pair behind the Foreign Exchange Option Transaction
- g) Strike
- h) Option price (Premium)
- i) Maturity Date: Maturity Date shall mean the day (i) on which day (in case of a European style option), or (ii) by which day (inclusively) (in case of an American style option) the option buyer may make use of its right of exercising the option, as set forth in these GM GTC and the Individual Transaction.
- j) Date of payment of the option premium (This issue must be agreed between the parties if the Client is the seller of the option.)
- k) Level(s) of the barrier(s) in the case of a barrier option
- l) Level of the digital barrier(s) in the case of a digital option

- 5.2. When entering into a Foreign Exchange Option Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. In

particular, the following shall be deemed to be the default transaction parameters for the purposes of entering into a transaction under this Section: Option style: European. For barrier and digital options, the monitoring type is American (i.e. continuous). The Client shall pay the option premium to the Bank immediately after the conclusion of the Individual Transaction.

- 5.3. If the Client is the buyer of the option, the financial settlement of the option premium is due on the date of the standard market price of the currency in question, but no later than on T+2, where T is the trade date. Deviation from this is not allowed.
- 5.4. If the Client is the seller of the option, the Client may choose the settlement date following the maturity of the option or the settlement date T+2 at the latest from the date of conclusion of the transaction (day T), taking into account the standards of the market of the currency concerned, as the date of payment of the option premium by the Bank. In the absence of this, the date of payment of the option premium is T+2.
- 5.5. The parties shall primarily conclude a European style option. If they wish to enter into a US type or a limit (barrier) or binary (digital) option, they must explicitly agree on this in the Individual Transaction and in the case of a limit (barrier) or binary (digital) option, agree on the barrier events and other specific parameters for the option, including the type of observation (US, i.e. continuous, or European, i.e. for a specific point in time), in particular if the observation of the limit price or digital price is for a period shorter than the total term from the time of the trade to the expiry date. In the case of a binary (digital) option, the Client cannot be the seller of the option.
- 5.6. The Parties agree that, in addition to the provisions of Section B.III.5.5 (including any applicable premiums and claim costs), the Foreign Exchange Option Transaction shall be payable if the Option is exercised by the Option Buyer, and shall be deemed exercised if the Foreign Exchange Option Transaction has a positive value for the Option Buyer on the expiration date. The value is calculated on the basis of the difference between the strike price and the settlement price as defined in B.III.5.9.
- 5.7. For the Foreign Exchange Option Transaction, the option buyer's entitlement on the expiration date is
- a) until 11:00 CET for PLN,
  - b) until 12:00 CET for HUF,
  - c) until 12:30 CET for RUB,
  - d) until 13:00 CET for TRY, and
  - e) until 10:00 CET
- for other major currency pairs.
- A Foreign Exchange Option Transaction that is or is deemed to be exercised in accordance with Section B.III.5.6 shall be settled by gross settlement as described in Section B.III.5.10.
- 5.8. If the buyer of the Foreign Exchange Option Transaction indicates to the Bank on the day of maturity of the option that they do not wish to reduce the volume of the Foreign Exchange Option Transaction on a gross basis, the transaction

shall be settled on a net basis, in the event that a Spot Foreign Exchange Transaction is concluded between the Parties using the market exchange rate, with the same nominal value and currency pair, but in the opposite direction. Settlement will take place

- a) on the second banking day following the Maturity Date for European options,
- b) for American options
  - ba) on the second banking day following the exercise date if the option was expressly exercised by declaration, or
  - bb) on the second banking day following the maturity date if the option is deemed to have been exercised, as follows:
    - (i) In case of a call option the given Foreign Exchange Option Transaction has a positive value for the option buyer if the exchange rate specified in Section B/III/5.9 is higher than the strike price determined upon the conclusion of the transaction.
    - (ii) In case of a put option the given Foreign Exchange Option Transaction has a positive value for the option buyer if the settlement exchange rate specified in Section B/III/5.9 is lower than the strike price determined upon the conclusion of the transaction.

#### 5.9. Settlement exchange rate

- a) in the case of a Foreign Exchange Option Transaction in which one of the currencies is HUF in the Refinitiv EIKON system
  - aa) in the case of a European style option or an American style option, if the American-type option is considered exercised, the market price quoted on the second banking day following the maturity date, or
  - ab) in the case of an American style option, if the option has been exercised with an explicit declaration, the market price quoted on the second banking day following the day of exercise.
- b) for a Foreign Exchange Option Transaction where none of the currencies is HUF in Refinitiv's EIKON system
  - bc) in the case of a European style option or an American style option, if the American-type option is considered exercised, the cross rate calculated from the MNB HUF exchange rates quoted on the second banking day following the maturity date, or
  - bd) the cross rate calculated from the MNB HUF exchange rates quoted for the second banking day following the exercise date, in case of an American style option, if the given option has been exercised by an express declaration.

The Parties stipulate that in the event of the closing of the Foreign Exchange Option Transaction as described in Section B.III.5.8, the Bank shall determine

the positive result for the buyer of the option by taking the difference between the option rate determined at the time of conclusion of the transaction and the settlement rate determined in Section B.III.5.9, according to the comparison determined in Sections B.III.(i) and B.III.(ii).

- 5.10. At the maturity of the Foreign Exchange Option Transaction, the amounts payable by each Party in respect of the relevant Transaction shall be settled and booked (debited, credited) on a gross basis in the respective accounts as follows:
  - 5.10.1. The Client shall ensure that the cash amount payable by them on the basis of the given Foreign Exchange Option Transaction shall be available by no later than 12:00 noon on the second banking day following the exercise date. If the Client does not provide the amount required for gross settlement, payable by the Client, on the given account by 4:00 p.m. on the second banking day following the day of the call, the Foreign Exchange Option Transaction will be settled by net settlement by concluding an Spot Foreign Exchange Transaction with the same nominal value and currency pair of the foreign exchange option parameters but the opposite direction, using the market exchange rate determined by the Bank.
  - 5.10.2. The Bank shall settle the payment obligation arising from the relevant Foreign Exchange Option Transaction by crediting the corresponding accounts on the second banking day following the day of the exercise.

## **6. INTEREST RATE OPTIONS**

- 6.1. The Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction for an Interest Rate Option:
  - a) Type of Interest Rate Option. (Interest Cap transaction or Interest Floor transaction)
  - b) Principal amount. Principal amount shall mean the amount, expressed in a currency quoted by the Bank or in HUF, which constitutes the basis of the computation of the floating amount;
  - c) Value date. Value date shall mean the date as of which day the floating amount shall be calculated for the first payment period;
  - d) Maturity date. Maturity date shall mean the date until which the floating amount shall be calculated for the last payment period;
  - e) Interest Rate Option direction;
  - f) The Interest Rate Option buyer's payment dates (both the indication by calendar day and any other method are applicable);
  - g) Interest rate option premium;
  - h) Interest Rate Option seller's payment dates (both the indication by calendar day and any other method are applicable);
  - i) Floating interest rate. The parties understand the floating interest rate to mean the interest rate which is compared to the threshold interest rate to determine the floating amount;

- j) Threshold interest rate. The parties understand the threshold interest rate to be the interest rate against which the floating interest rate is determined;
- k) Quotation Dates. The Parties understand the quotation date to mean the date on which the floating rate is quoted for the first calendar day of the relevant payment period (both the indication by calendar day and any other method are applicable);
- l) Amortisation.

If an Individual Transaction for an Interest Rate Option is concluded by telephone in accordance with these GM GTC, the terms and conditions of the Interest Rate Option may be agreed by means of an e-mail message sent before or during the telephone conversation, subject to the provisions of Section A.II.5.2.5. of these GM GTC, which the Client accepts together with the other terms and conditions of the Individual Transaction during the telephone conversation.

When entering into an Interest Rate Option, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

- 6.2. The interest calculation rules are the same as for the Single Currency Interest Rate Swap. Parties agree that they shall apply Rule A/360 from among the interest calculation rules, however, the Parties shall also be entitled to agree on the application of a different interest calculation rule applicable to the given Individual Transaction pertaining to the Interest Rate Options.
- 6.3. The buyer of an Interest Rate Option is liable to pay an interest option premium on each payment date(s) as determined at the time of the conclusion of the transaction.
- 6.4. The period during which the floating amount shall be paid on the basis of the notional amount, is to be divided into consecutive periods (payment periods), each of which (excepted the first one) shall commence on the last calendar day of the preceding period, and (excepted the last one) shall end on the last calendar day of the given period. The first payment period starts on the value date and the last payment period ends on the maturity date.
- 6.5. In relation to the Interest Rate Option seller any payment date determined in the course of the conclusion of the transaction shall mean the last calendar day of the Interest Rate Option seller's current payment period. If the specific payment date is not a banking day, payments are settled on the following banking day.
- 6.6. The Seller of an Interest Rate Option shall, on a given payment date, provided that the Interest Rate Option has been exercised in accordance with Section B.III.6.7, pay the following amount:
  - a) For Interest Cap Transactions:
 
$$\text{Floating amount} = \text{notional amount} \times (\text{floating interest rate} - \text{threshold interest rate}) \times \text{interest calculation quotient}$$

b) For Interest Floor Transactions:

Floating amount = notional amount x (threshold interest rate – floating interest rate) x interest calculation quotient

6.6.1. The floating interest rate is expressed as a decimal fraction. The interest calculation quotient is a fraction determined in accordance with the interest calculation rule set out in Section B.III.4.1.6, the numerator of which is the number of days in the relevant payment period determined in accordance with the applicable interest calculation rule, and the denominator of which is the number of days in the year determined in accordance with the applicable interest calculation rule.

6.7. The Interest Rate Option seller shall be obliged to pay in a given Interest Rate Option if the Interest Rate Option buyer exercises the option. The Parties agree that, unless the Interest Rate Option buyer makes a written statement to the contrary to the Interest Rate Option seller by 2:00 p.m. on the relevant banking day 5 banking days prior to the payment date, then, in Interest Rate Options, the option shall be deemed exercised without any further notice to the Interest Rate Option buyer on the Interest Rate Option seller's payment dates, provided that, under Section B.III.6.6, the Interest Rate Option seller would be obligated to pay a floating amount on such payment date.

6.8. The credit obligations resulting from the Interest Rate Options shall be paid in the currency of the notional amount of the given Interest Rate Option.

## 7. DUAL CURRENCY STRUCTURED INVESTMENT

7.1. Dual Currency Structured Investment is a structured financial asset, which is a combination of an investment (liquid asset element) and an option base transaction (financial asset element) where the Client shall only be entitled to the result of the Dual Currency Structured Investment, but not the components of the underlying structure.

7.2. Under the Dual Currency Structured Investment, the Client is entitled to receive a return on their obligation under this Individual Transaction, which the Bank will pay in the currency of the amount invested by the Client under the Dual Currency Structured Investment on the settlement date of the investment.

7.3. The amount invested will be converted at the option rate depending on whether the Bank has exercised its option right on the day of observation of the option exchange rate until the date specified in Section B.III.7.10. In the case of an investment in the base currency of the foreign exchange rate, the Bank exercises its option right if the interbank spot exchange rate is higher than the option rate at the observation date of the option exchange rate. If the investment is made at the quoted exchange rate of the currency pair, the Bank will exercise its option right if the interbank spot exchange rate at the time of observation of the option exchange rate is lower than the option exchange rate.

The base currency is the first currency of the currency pair that is used to express the other (listed) currency.

7.4. If the Bank exercises its option right, the Invested Amount will be converted into another currency at the Option Exchange Rate, while if the Bank does not exercise its option right, the invested amount will be credited in its original currency on the value date of the settlement of the investment.

7.5. Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on a Dual Currency Structured Investment:

- a) Amount invested.
- b) Currency of amount invested
- c) Currency pair.
- d) Amount of yield or method of calculation. The annual equivalence expressed as a percentage.
- e) Option type (call option, put option)
- f) Option exchange rate
- g) Observation period of option exchange rate,
- h) Starting value date of investment
- i) The value date of the maturity of the investment, the Settlement value date.

When concluding an Individual Transaction for a Dual Currency Structured Investment, the parties need only separately agree on the terms and conditions listed below, which deviate from the default transaction parameters previously set by the Client or from the trading conventions set by the Bank in respect of the Individual Transaction in question.

7.6. The Client expressly accepts that the calculating party is the Bank, which is entitled to determine the yield, the spot exchange rate at the time of observation of the option exchange rate, any option events at the threshold price level(s), the principal amount of the investment at maturity and the calculations made at the time of the closing of the transaction, if any, initiated by the Bank.

7.7. The Client shall ensure that the amount invested is available in the Payment Account designated by the Client by 5:00 p.m. on the initial value date of the investment (Budapest local time). The Bank shall debit the payment account indicated on the initial value date of the investment with the invested amount, to which the Client consents by concluding the Individual Transaction in accordance with these GM GTC.

7.8. The Bank shall credit the amount due on the designated Payment Account by 3:00 p.m. (Budapest local time) on the Settlement Date at maturity or on the closing date initiated by the Bank, to which the Client agrees by entering into the Individual Transaction pursuant to these Business Regulations.

7.9. The Bank's right to Close a Dual Currency Structured Investment before maturity

The Bank may initiate the Closing of a Dual Currency Structured Investment on any day prior to the settlement date if any Closing Event so warrants. In the

event of a Closing Event, no conclusion of a formal transaction according to Section A.II.5 shall take place in the context of Closing the Dual Currency Structured Investment. Parties set out the following in respect of the Closing:

- 7.9.1. The Bank shall fix the amounts payable by it for each Closing Date determined by it.
- 7.9.2. If one Dual Currency Structured Investment is closed on a closing date, the Bank will proceed as follows:
  - 7.9.2.1 An Individual Transaction for a Dual Currency Structured Investment, opposite to the Individual Transaction for the Dual Currency Structured Investment to be closed, was entered into on the closing date.
  - 7.9.2.2 The Bank determines the result of the Dual Currency Structured Investment to be closed based on the difference between the yield of the Dual Currency Structured Investment to be closed and the yield of the Derivative Instrument Closing Transaction, taking into account the principal amount due to the Client at maturity under the Dual Currency Structured Investment to be closed. The result of the Dual Currency Structured Investment to be closed thus defined shall be accounted for between the Parties pursuant to Section B.III.7.9.3.
- 7.9.3. If more than one Dual Currency Structured Investment is Closed pursuant to this Section on a closing date, the Bank shall aggregate the amounts payable in respect of each Dual Currency Structured Investment in respect of both parties.
- 7.9.4. The Parties agree that the aggregate result of the Dual Currency Structured Investment shall be adjusted by any unpaid amounts due under a Dual Currency Structured Investment whose settlement date is earlier than the 2nd banking day following the closing date.
- 7.9.5. Only the aggregated balance of the results of the Dual Currency Structured Investment will be effectively settled (debited or credited to the corresponding account).
- 7.10. The due date for payment of the amounts specified in Section B.III.7.9 is the closing date, as determined by the Bank.
- 7.11. The Parties expressly agree that the provisions of Section B.III.7.10 shall also constitute a position-closing netting agreement.

## **8. INFLATION SWAP TRANSACTIONS**

- 8.1. Under an Inflation Swap Transaction, the calculation of the amount of money payable, both the amount calculated on the basis of inflation and the interest, is based on the notional amount for the relevant interest payment period as determined by the Parties at the time of entering into the transaction.
- 8.2. Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on an Inflation Swap Transaction:
  - a) Notional amount. The Parties understand the notional amount to be the amount in a currency quoted by the Bank which forms the basis

for the calculation of the amount calculated based on inflation and interest (numeral indication and, if the Parties so agree, a formula governing the amount and its variation (capitalisation, amortisation or any other indexation)),

- b) Value date. The Parties understand the value date to be the date from which the amount calculated on the basis of inflation and interest is calculated for the first payment period.
- c) Maturity date. Maturity date means the date by which the amount calculated on the basis of inflation and interest for the last payment period is calculated.
- d) Client payment dates (both the indication by calendar day and any other method shall be applicable).
- e) Bank payment dates (both the indication by calendar day and any other method shall be applicable).
- f) Inflation index.
- g) Inflation index initial observation date.
- h) Inflation index closing observation date
- i) Interest rate.
- j) Interest rate quotation days (if the interest rate is floating). Interest rate quotation date means the date on which the interest rate is quoted for the first calendar day of the relevant payment period (both the indication by calendar day and any other method are applicable).
- k) Amortisation.

When entering into an Inflation Swap Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

- 8.3. The interest calculation rules are the same as for Interest Rate Swaps. The Parties shall apply Rule A/360, but may agree to apply a different interest calculation rule in the Individual Transaction for Inflation Swap.
- 8.4. The period during which the inflation-adjusted amount plus interest is payable on the notional amount shall be divided into successive payment periods, each of which (except the first) begins on the last calendar day of the preceding such period and (except the last) ends on the last calendar day of that period. The first payment period starts on the value date and the last payment period ends on the maturity date.
- 8.5. The length of the payment periods may differ for the amount calculated on the basis of inflation and for the Party paying interest. Any payment date specified for a given party at the time of entering into a transaction means the last calendar day of that party's current payment period. The Parties to an Inflation Swap Transaction are obliged to make payments on each payment date. If the specific payment date is not a banking day, payments are settled on the following banking day.
- 8.6. The credit obligations arising from the Inflation Swap Transaction shall be paid in the currency of the notional amount of the Inflation Swap Transaction.

- 8.7. Closing of the Inflation Swap Transaction at the Client's initiative
- 8.7.1. The Client is entitled to initiate the Closing of any Inflation Swap Transaction.
- 8.8. The Bank's Right to Close an Inflation Swap Transaction
- 8.8.1. In the event of a Closing Event, the Inflation Swap Transaction will be Closed on a date determined by the Bank.
- 8.8.2. The Bank determines the amounts to be paid on each closing date.
- 8.9. If one Inflation Swap Transaction is closed on a Closing Date, the Bank will proceed as follows:
- 8.9.1. The Bank will determine the following amounts in the Inflation Swap Transaction to be closed:
  - a) the amounts payable in theory on the payment dates by the Party paying based on inflation, applying the inflation index valid on the maturity date – from the last payment date (if there was no such date, from the value date) – until the maturity date;
  - b) the amounts payable in theory on the payment dates up to the maturity date by the Party paying interest, applying the interest rate valid on the closing date, from the last payment date (if there was no such date, from the value date).

The amounts so determined shall be discounted by the Bank as at the closing date, i.e. their present value shall be calculated, and these amounts shall be aggregated for both Parties, and the amount so determined, payable by the Party paying the amount calculated on the basis of inflation is, for the purposes of this Section, "x", and the amount payable by the Party paying the interest, for the purposes of this Section, "y".

- 8.9.2. The Bank shall perform the calculation set out in Section B.III.8.9.1 on the basis of an Inflation Swap Transaction opposite the Inflation Swap Transaction to be closed. The closing Inflation Swap Transaction is a legal transaction identical in all respects to the Inflation Swap Transaction to be closed, except for the following:
  - a) The party paying the inflation-based amount in the Inflation Swap Transaction to be closed, the party paying interest in the closing Inflation Swap Transaction, the party paying interest in the Inflation Swap Transaction to be closed, the party paying the inflation-based amount in the closing Inflation Swap Transaction; and
  - b) The aggregate balance of the amounts expected to be paid by the party paying interest in the closing Inflation Swap Transaction on the payment dates up to the maturity date, discounted to the Closing date, calculated with the interest rate valid on the Closing date – from the last payment date of the Party paying the inflation-based amount in the Inflation Swap Transaction to be closed (or, if no such payment date exists, from the value date of the Inflation Swap Transaction to be closed), is "k", and the aggregate balance of the amounts expected to be paid by the party paying the inflation-based amount on the payment dates up to the maturity date, discounted to

the Closing date, in the closing Inflation Swap Transaction, based on the inflation index valid on the Closing date – from the last payment date of the Party paying interest in the Inflation Swap Transaction to be closed (or, if no such payment date exists, from the value date of the Inflation Swap Transaction to be closed), is “z”;

- c) If the interest rate is fixed, such interest rate shall be (A) in the case of a closing by the Client, the rate determined by the Parties at the time of entering into the closing Inflation Swap Transaction, or (B) in the case of a closing by the Bank, the rate determined by the Bank with respect to the remaining term of the Inflation Swap Transaction to be closed from the Closing Date to the maturity date.

8.9.3. As the result of the calculation under Sections B.III.8.9.1 and B.III.8.9.2, the difference between the amounts  $(x+k)$  and  $(y+z)$  will be settled, such that if the amount  $(x+k)$  is greater than the amount  $(y+z)$ , the Party paying the inflation-based amount in the Inflation Swap Transaction to be closed shall be liable to pay the difference, otherwise, the Party paying interest in the Inflation Swap Transaction to be closed shall be liable to pay the difference. The Parties expressly agree that any amounts payable by the Client under the Individual Transaction shall be in addition to the amounts set out in the Inflation Swap Transaction to be closed in respect of the Client.

8.10. If more than one Inflation Swap Transaction is closed on a Closing Date, the Bank shall proceed in accordance with Section B.III.8.9 with respect to each Inflation Swap Transaction to be closed, by aggregating the amounts payable in each Inflation Swap Transaction to be closed in accordance with Section B.III.8.9.2b) with respect to both parties, and only the aggregated result shall be settled.

8.11. The Parties expressly agree that the provisions of Section B.III.8.9 shall also constitute a close-out netting agreement.

8.12. The due date for payment of the amounts determined in accordance with Section B.III.8.9.2 a) and b) is the closing date.

8.13. The Client expressly accepts that the Bank is the calculating party and therefore may at its sole discretion determine the calculations and other rules applied in closing the Inflation Swap Transaction.

## **9. SECURITIES LENDING TRANSACTION**

9.1. Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on a Securities Lending Transaction:

- a) Delivery date
- b) Return date
- c) Securities lent (with name, type, series, ISIN code and number of units)
- d) Lending fee (amount or calculation method, payment frequency, notification date)

- e) if the subject of the Securities Lending Transaction is a share, the way the voting rights are exercised, the person exercising the voting rights.

When entering into a Securities Lending Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

- 9.2. In a Securities Lending Transaction, the Client may only be a lender and the Bank only a borrower, in which case the Client shall transfer ownership of the securities lent by (i) in the case of dematerialised securities, the Bank debiting the Client's designated securities account and crediting the Bank's securities account, and (ii) in the case of printed, registered securities, by the Client transferring it to the Bank with blank endorsement. The Bank, as the borrower, shall, no later than on the maturity date, transfer to the Client the ownership of the security of the same denomination, series and number of securities as the securities lent, as follows: (i) in the case of dematerialised securities, by debiting the Bank's securities account and crediting the Client's designated securities account, (ii) in the case of printed, registered securities, by transferring it to the Client with blank endorsement.
- 9.3. The Client, as the lender, is entitled to a lending fee for securities lent to the Bank. The lending fee is settled by the Bank by crediting it to the Client's designated Payment Account with the Bank.
- 9.4. The Bank is free to dispose of the securities borrowed, in particular, but not exclusively, to lend them to third parties during the term of the loan, to enter into securities financing transactions or to use the financial instruments for its own account or for the account of another person or another Client.
- 9.5. During the term of securities lending, the Client may not exercise any of their rights embodied in and relating to the securities, except for the right to vote. The exercise of voting rights shall be agreed between the Bank and the Client in the Individual Transaction for Securities Lending.
- 9.6. In respect of the securities lent, during the term of the Securities Lending Transaction, it is expected that the issuer may make the following payments:
  - a) interest,
  - b) dividends,
  - c) repayment of principal and payment of cash in the event of a capital reduction,
  - d) other payments of cash or other equity interests.
- 9.7. The Bank, as the borrower, is obliged to pay to the Client the amounts that can be verified to have been paid to the Bank during the term of lending from the securities that are the subject of lending.
- 9.8. The Parties stipulate that the Bank, as borrower, is entitled to prepay the loan in whole or in part, by notifying the Client thereof 3 (three) banking days in advance, i.e. it is entitled to return the securities borrowed in whole or in part to the Client before the maturity of the loan by applying the provisions of B.III.9.22 accordingly. The Parties agree that in the event of advance payment,

the lending fee shall be defined in function of the quantity and term of the borrowed securities.

- 9.9. The Client declares that prior to the conclusion of this GM Framework Agreement the Bank fully informed the Client on the situation of Securities Lending Transactions, on the public information, on the risk of Securities Lending Transactions, on any system of investor protection available for the Client and on any other information which may be essential in the event of the conclusion and performance of the agreement. The Client further declares that they have adequate knowledge of Securities Lending Transactions (including in particular the economic purpose, justification, risks, valuation, market standards). The Client acknowledges having been given an opportunity by the Bank to inquire about securities lending transactions and having received professional answers to such questions. The Client declares that their financial/economic situation is such that, knowing the risks of securities lending transactions, they are able to meet their obligations arising from securities lending transactions. The risks and consequences are described in the Standard Prior Information Note.
- 9.10. The Bank's Central Credit Information System Guide forms an annex to the General Business Regulations in respect of securities lending; by signing the above, the Client certifies having read and acknowledged the Guide and declares being familiar with the special risk arising from the transaction, and concludes this Securities Lending Transactions agreement being aware of this fact.
- 9.11. The Client acknowledges that the Bank is also obliged to provide the competent authority with information on the securities lending transaction as a securities financing transaction within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012.

## **10. SPOT SECURITIES TRANSACTIONS**

- 10.1. In the case of a share admitted to trading on a regulated market or trading venue, the Bank will only execute a Spot Securities Transaction order for such an instrument against its own account if this does not conflict with the MiFID II restriction on the obligation to trade in shares.
- 10.2. For the purposes of this transaction, securities shall be understood by the parties exclusively as Hungarian government securities, debt securities issued by the MNB, foreign government securities issued by other OECD member states, shares issued by Hungarian or foreign companies with legal personality and corporate bonds. Spot Securities Transactions concluded under the GM Framework Agreement may only be in the securities specified above.
- 10.3. Creation of an Individual Transaction for Spot Securities Transactions:
- The request for offer of the Client shall determine the direction (sale or purchase of securities) and its subject, namely the securities (with series and

amount). The direction of a given Spot Securities Transaction (forward sale or forward purchase of a security) shall be judged on the basis of the Client's request for offer, from the aspect of the Client. To enter into an Individual Transaction for Spot Securities Transactions, the Parties must agree to the following terms:

- a) The direction (sell / buy) of the Spot Securities Transaction from the Client's point of view.
- b) Subject and quantity of Spot Securities Transaction (name and quantity or face value of the security).
- c) Purchase price (by indicating net price or gross price or yield).
- d) Value Date

- 10.4. When entering into an Individual Transaction for Spot Securities Transactions, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. The default transaction parameters set by the Bank for the conclusion of a transaction under this Section are: the value date is (i) the day of conclusion of the transaction in the case of a transaction concluded before the cut-off time published by the Bank on the given day or specified in the Business Regulations, (ii) the first banking day following the conclusion of the transaction in the case of a transaction concluded after the cut-off time published by the Bank on the given day or specified in the Business Regulations. The value date may not be later than the eighth banking day following the transaction.
- 10.5. The settlement resulting from the Spot Securities Transaction shall be made on the value date determined in the individual Spot Securities Transaction. In the event of clearing without the use of a clearing house, the Client is obliged to pay the amount payable under the relevant Spot Securities Transaction on the settlement date, if the Client is the buyer, or to transfer ownership of the securities subject to the relevant Spot Securities Transaction to the Bank, if the Client is the seller.
- 10.6. If the Client fails to pay the amount payable under the relevant Spot Securities Transaction on the value date, if the Client is the buyer, or to transfer ownership of the securities subject to the relevant Spot Securities Transaction to the Bank, if the Client is the seller, the Bank shall be entitled to withdraw from the relevant Spot Securities Transaction in a statement addressed to the Client, without prejudice to the Bank's rights to terminate the Spot Securities Transaction.
- 10.7. The transferor in each case warrants that, at the time of the transfer of ownership of the securities, it has full and unrestricted title to the securities and that the marketability of the securities is not restricted. The transferring party transfers the securities to the other party free and clear of all claims, encumbrances and liabilities. The transfer of ownership of the securities is effected by debiting the designated securities account of the transferring Party and crediting the designated securities account of the other Party.

- 10.8. By signing the GM Framework Agreement, the Client acknowledges their credit obligation resulting from the individual Spot Securities Transactions, as calculated by the Bank, as an expressly recognised claim.

**11. EXECUTION OF AN ORDER FOR A SPOT SECURITIES TRANSACTION OUTSIDE A TRADING VENUE (OTC SPOT SECURITIES ORDER)**

- 11.1. In the case of a share admitted to trading on a regulated market or trading venue, the Bank will only execute an order for such an instrument against its own account if this does not conflict with the MiFID II restriction on the obligation to trade in shares. The Bank shall enter into the transactions specified in this Chapter only with the express consent of the Client, if required by law.

- 11.2. Within the scope of these GM GTC, the subject of the OTC Spot Securities Order may be the purchase or sale of the securities specified by the Bank.

- 11.3. In order to conclude the OTC Spot Securities Order, the Parties shall agree at least upon the following conditions:

- a) Direction of the transaction from the Client's aspect (sale/purchase),
- b) Subject of transaction, i.e. name of security (face value or quantity),
- c) Order validity expiry,
- d) Currency of issue,
- e) Depending on the type of security that is the subject of the order: price or yield or minimum and maximum sale price/pc.

In an OTC Spot Securities Order, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

- 11.4. The Parties agree that the conclusion of an individual OTC Spot Securities Order is conditional upon the following:

- a) in the case of a purchase of a security, the consideration is available in the Client's payment account with the Bank on the date of conclusion of the Individual Transaction, unless otherwise provided in the Prospectus or other similar document relating to the placing in the case of a subscription declaration,
- b) in the case of a sale of a security, the security which is the subject of the Individual Transaction is available in the Client's securities account with the Bank on the date of conclusion of the Individual Transaction.

- 11.5. By entering into an OTC Spot Securities Order, the Client gives the Bank the following express and explicit instructions, in the knowledge of the Execution and Allocation Policy:

- a) to execute the order outside a trading venue, on the OTC market and,
- b) in the event of purchase, to acquire the security free from litigation, encumbrance and claims.

- 11.6. The Bank draws the Client's attention to the fact that, as a result of the instructions given in the OTC Spot Securities Order, there is a significant risk that the Bank may not be able to execute the OTC Spot Securities Order. The Client accepts that in such cases the Bank is not in the position to guarantee that the Client achieves the highest possible result, or the result it could have achieved in case of compliance with the Bank's Execution and Allocation Policy. The Bank shall not be obliged to execute the OTC Spot Securities Order on a partial basis, and shall not be obliged to combine the OTC Spot Securities Order with other orders. Unless otherwise agreed by the Parties, the Bank is not obliged to search for or examine orders and offers other than those orders and offers corresponding to the OTC Spot Securities Order entered into with the Client, registered in its own account management system within the validity period of the OTC Spot Securities Order and in the opposite direction to the OTC Spot Securities Order entered into with the Client, in order to execute the OTC Spot Securities Order entered into with the Client.
- 11.7. Having regard to the fact that the fee payable to the Bank is a preferential fee or no fee is charged at all, the Bank shall take no responsibility towards the Client for the execution of the obligations of the party contracting with the Bank on the basis of the sale contract concluded pursuant to the OTC Spot Securities Order.
- 11.8. Unless otherwise agreed by the Parties, or in the case of the inclusion of a subscription declaration, unless otherwise provided in the Prospectus or other similar document related to the Placing, settlement of the OTC Spot Securities Order will take place no later than on the 8<sup>th</sup> day after the conclusion of the Individual Transaction.
- 11.9. By signing the GM Framework Agreement, the Client acknowledges their credit obligation resulting from the individual OTC Spot Securities Orders, as calculated by the Bank, as an expressly recognised claim.

## **12. COMMODITY SWAP TRANSACTION**

- 12.1. In a Commodity Swap Transaction, the basis for calculating the amount of money to be paid, both for the amount calculated on the basis of the variable price and for the amount calculated on the basis of the fixed price, is the quantity of the commodity determined by the parties at the time of entering into the transaction. In the case of an average price Commodity Swap Transaction, the variable price depends on an average of prices/values observed by the Parties during a predetermined period or periods.
- 12.2. The parties shall settle the difference between the fixed price and the variable price on the basis of the quantity contracted, on the settlement date, on a net basis.
- 12.3. The parties enter into the Commodity Swap Transaction with each other on the over-the-counter (OTC) market. The Client accepts that the Reference Rules of a Reference Exchange, the clearing house or central counterparty or other source publishing the reference price, as determined by the Parties in the Individual Transaction for the Commodity Swap, may affect the legal

relationship between the Parties and the execution of the Commodity Swap Transaction.

12.4. The Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction for a Commodity Swap:

- a) Product definition – reference contract
- b) Quantity
- c) Unit of quantity
- d) Fixed Price
- e) Variable price / Reference price
- f) Observation month for average price swaps
- g) Maturity date. The parties understand the maturity date to be the date by which the amount calculated on the basis of the variable price and the amount calculated on the basis of the fixed price are calculated for the last payment period,
- h) Settlement value date,
- i) Settlement currency.

When entering into a Commodity Swap Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction.

12.5. Payment obligations arising from a Commodity Swap Transaction shall be paid in the settlement currency.

12.6. A Commodity Swap Transaction can only be performed by net settlement, i.e. the physical delivery of the goods does not take place under any circumstances.

When placing an order, the Client is obliged to monitor the position limits set forth in the legislation governing the Reference Exchange and the Reference Rules and to duly comply with the required notifications and data reporting. Given that the fulfilment of these reporting and disclosure obligations is the legal obligation and responsibility of the Client, the Bank is not liable for the consequences of failure to do so.

12.7. Unless the Client notifies the Bank at the same time as the receipt of the official decision on exemption, informing the Bank that the Client is exempt from the application of the position limits pursuant to Article 8 of Commission Delegated Regulation (EU) 2017/591, the Bank shall consider the Client as being subject to the position limits. The Client must provide the Bank with a copy of the document of the official decision on the exemption from the position limit.

The Client is also obliged to notify the Bank when placing an order if the Individual Transaction is a risk mitigating position directly related to their trading activity.

If the Client fails to provide the Bank with the information required by these GM GTC regarding the exemption from the position limit, the Bank will treat and report its Individual Transactions as non-hedging transactions.

#### **IV. GLOBAL MARKETS SERVICES WITHIN THE SCOPE OF THE CREDIT INSTITUTIONS ACT**

##### **1. GENERAL RULES**

- 1.1. The Bank is entitled to conclude Individual Transactions for Global Markets Services regulated in this Chapter based on authorisation No. 983/1997/F issued on 27 November 1997 by the Hungarian Financial Supervisory Authority (the legal predecessor of the MNB) on the basis of the Credit Institutions Act.
- 1.2. For Individual Transactions relating to Global Markets Services covered by this Chapter, the chapters of the GM GTC on Client Information, Collateral and Closing Events do not apply.

##### **2. SPOT FOREIGN EXCHANGE TRANSACTIONS**

- 2.1. This service of the Bank is a financial service within the meaning of the Credit Institutions Act, and is not an ancillary investment service within the meaning of Section 5(2)(e) of the Investment Firms Act.
- 2.2. Parties shall agree on the following terms and conditions in order to conclude an Individual Transaction on a Spot Foreign Exchange Transaction:
  - a) Exchange Rate;
  - b) Direction and quantity of the given Spot Foreign Exchange Transaction, the foreign exchange pairs;
  - c) Value date.

When entering into an Individual Transaction for a Spot Foreign Exchange Transaction, the parties need only agree on the terms and conditions listed above that differ from the pre-defined default transaction parameters for the given Individual Transaction. In particular, the following shall be deemed to be the default transaction parameter for the purposes of entering into a transaction under this Section: Value Date: the date of conclusion of the Individual Transaction.

- 2.3. The request for Offer of the Client shall determine the direction (sale or purchase of a currency) and quantity of the given legal transaction, i.e. the direction of a given Spot Foreign Exchange Transaction (spot sale or forward purchase of a currency) and the quantity thereof shall be judged on the basis of the Client's request for offer, from the aspect of the Client.
- 2.4. Settlement resulting from the Spot Foreign Exchange Transaction – if the Client has a foreign currency account with the Bank in both currencies – will take place no later than on the 2nd (second) banking day following the conclusion of the transaction, the settlements being dependent on each other. The Client shall pay the amount payable on the basis of the given Spot Foreign Exchange Transaction no later than on the 2nd (second) banking day following the conclusion of the transaction.

- 2.5. Spot Foreign Exchange Transaction Order (Foreign Exchange Order)
- 2.5.1. In the case of a Foreign Exchange Order, the Client requests the Bank to attempt to execute the individual Spot Foreign Exchange Transaction, as specified by the Client in the Foreign Exchange Order, if the exchange rate quoted by the Bank reaches the rate specified by the Client within the time limit specified in the Foreign Exchange Order. The Bank will only attempt to execute a Foreign Exchange Order in respect of the specified currency, quantity and time limit.
- 2.5.2. Under a Foreign Exchange Order, the parties need only separately agree on the terms and conditions that differ from the pre-defined default transaction parameters for the relevant Individual Transaction. In particular, the default transaction parameters defined for the conclusion of a transaction under this Section are the following: the order is valid until revoked.
- 2.5.3. The execution of a Foreign Exchange Order may result in a Spot Foreign Exchange Transaction. The Bank does not assume any obligation for the execution of a Foreign Exchange Order, i.e. the conclusion and execution of a Spot Foreign Exchange Transaction at the exchange rate level specified by the Client. In particular, but not exclusively, in the event of extreme volatility (price slides, "price gaps", significant exchange rate movements and other similar circumstances), the Bank may not be able to conclude the Spot Foreign Exchange Transaction with the Client at the exchange rate level indicated by the Client.
- 2.5.4. The rate quoted by the Bank means the rate quoted to the Client on the interbank foreign exchange market at the time, for the given amount, on the basis of the rate available to the Bank and the corresponding counterparty.
- 2.5.5. The types of Foreign Exchange Orders are: limit type Foreign Exchange Order, stop type Foreign Exchange Order, "OCO" type Foreign Exchange Order and IF Done type Foreign Exchange Order.
- a) In the case of a limit type Foreign Exchange Order, the Client requests the Bank to attempt to buy or sell the given amount of foreign exchange to them within the indicated time limit at the level or at a more favourable rate currently available to the Bank on the interbank foreign exchange market. The Bank does not guarantee that the transaction will be executed at the activation level or at a more favourable rate, so it is possible that the limit type Foreign Exchange Order will be executed at a price less favourable to the Client than the activation level.
  - b) In the case of a Stop type Foreign Exchange Order, the Client requests the Bank to attempt to buy or sell the given amount of foreign exchange to them at the level or at a more favourable rate currently available to the Bank on the interbank foreign exchange market, when the specified activation rate level is reached. The Bank does not guarantee that the transaction will be executed at the activation level or at a more favourable rate.

- c) In the case of "OCO" type Foreign Exchange Orders, the Client places two Foreign Exchange Orders with the Bank at the same time, on the condition that if one of the Foreign Exchange Orders is executed within the specified time limit, the other Foreign Exchange Order will be automatically cancelled.
- d) In the case of an IF Done type Foreign Exchange Order, the Client places two Foreign Exchange Orders with the Bank at the same time, on the condition that if one of the Foreign Exchange Orders is executed within the time limit, the Bank will attempt to execute another Foreign Exchange Order.

2.5.6. By placing a Foreign Exchange Order, the Client accepts that the Bank is competent to determine whether or not the given exchange rate quoted by the Bank has been affected within the indicated time limit. When the Bank's quoted exchange rate is reached (which may be outside Business Hours, even on weekends or public holidays), the spot foreign exchange transaction can be executed automatically, so the Client cannot modify their previous request based on the current market data. The exchange rate quoted by the Bank shall prevail for the execution of the Foreign Exchange Order and the interbank markets available to the Bank may not be the same as the interbank market data available to the Client. Thus, the Client may only be informed of the execution or non-execution of a Foreign Exchange Order beyond reasonable doubt on the basis of the Bank's notification.

### **3. INDIVIDUAL DEPOSIT TRANSACTION**

- 3.1. An Individual Deposit Transaction is not a product to which the MiFID II Regulation (Directive 2014/65/EU of the European Parliament and of the Council and its delegated and implementing regulations) and the investor protection provisions of the Investment Firms Act apply.
- 3.2. The Bank may enter into a fixed rate Individual Deposit Transaction or a variable rate Individual Deposit Transaction with the Client. In the case of an Individual Deposit Transaction, the Early Withdrawal of Deposits is possible upon agreement by the Bank and the Client, provided that in the case of an Individual Deposit Transaction with variable interest rate, if the Parties have expressly agreed on the possibility of such termination, the Client may also request the Early Withdrawal of Deposits by unilateral declaration. If the Parties have not agreed on the right of the Client to unilaterally request the Early Withdrawal of the Deposit, the Client shall not be entitled to request the Bank to repay the Deposit before the maturity date of the Deposit and the Bank shall not be obliged to repay the Deposit to the Client before the maturity date.
- 3.3. The smallest amount that the Bank accepts in Individual Deposit Transactions is HUF 50,000,000 (i.e. fifty million) in the case of HUF Individual Deposit Transactions, and the equivalent of HUF 1,000,000 (i.e. one million) in foreign currency Individual Deposit Transactions, calculated at the official exchange rate published by the MNB valid on the date the Individual Deposit Transaction was concluded. At its discretion, the Bank is entitled to deviate from the above

limit and to conclude an Individual Deposit Transaction with the Client for a lower Deposit Amount. The shortest period until which the committed Deposit Amount cannot be withdrawn – both in a fixed interest Individual Deposit Transaction and in a variable interest Individual Deposit Transaction where the parties have excluded the Client's right to unilateral Early Withdrawal of Deposit – is the same as the term fixed in the Individual Deposit Transaction, i.e. the duration ending on the Maturity Date. Any deductions made by the Bank from the interest payable and the conditions for termination of the Individual Deposit Transaction are set out jointly in these GM GTC and the terms and conditions of the Individual Deposit Transaction listed below. The manner and possible cost of terminating the account for the registration of the Individual Deposit Transaction are included in the deposit or account contracts.

3.4. The Parties shall agree on the following terms and conditions in order to conclude a fixed interest Individual Deposit Transaction:

- a) Deposit Amount and the currency of the deposit;
- b) Interest rate;
- c) Depositing date;
- d) Maturity date;
- e) the fee for Early Withdrawal of Deposits, its amount or rate, if the Bank and the Client would enter into an agreement between them on the Early Withdrawal of Deposit prior to the Maturity Date;
- f) the place of making available the Deposit Amount and, in the event of termination of the Deposit, the place of payment by the Bank of the Deposit Amount and interest due to the Client, if such operations are not carried out on the Client's Payment Account;
- g) Identification of the account and indication of the account number affected by the execution and settlement of the Individual Deposit Transaction order.

3.5. Parties shall agree on the following terms and conditions in order to conclude a variable interest Individual Deposit Transaction:

- a) Deposit Amount and the currency of the deposit;
- b) determination of the Reference Interest and the amount of the Interest Surcharge,
- c) Depositing Date;
- d) Maturity Date;
- e) the Client's right to unilateral Early Withdrawal of Deposit or its exclusion,
- f) the applicable early withdrawal rate in the case of unilateral Early Withdrawal by the Client – if the right to that has not been excluded –, which may be a pre-fixed rate or the Reference Rate adjusted by the deposit withdrawal rate spread,
- g) the place of making available the Deposit Amount and, in the event of termination of a Deposit with variable interest rate, the place of payment of the Deposit Amount and interest due to the Client by the Bank, if these operations are not carried out on the Client's Payment Account;

- h) Identification of the account and indication of the account number affected by the execution and settlement of the Individual Deposit Transaction order.

The current interest rate of the Reference Rates applied in variable rate Individual Deposit Transactions is **available on the website of the Reference Rate administrator.**

The Client acknowledges that the Bank is not obliged to notify the Client of changes in the Reference Interest rate specified in the conclusion of a Variable Interest Individual Deposit Transaction; the Bank applies the modified Reference Interest rate starting from the effective date of the modified interest rate determined by the administrator of the Reference Rate, as the starting date, and the modification in the Reference Rate shall not constitute a unilateral modification of the interest rate by the Bank.

- 3.6. The Client must ensure that the deposit amount is available in the Payment Account or as otherwise agreed with the Client by 5:00 p.m. on the day of the deposit. The interest is paid in such a way that the Bank credits the amount on the maturity date or, in the case of an Early Withdrawal of Deposits, on the date of the Early Withdrawal, on the amount affected by the Early Withdrawal.
- 3.7. The Client shall be entitled to interest on the amount of the Deposit made available on the Payment Account or otherwise agreed with the Client by the date specified in the previous point from the deposit date (including that date) to the date of maturity (excluding that date). If this is stipulated as mandatory by the applicable laws, the Bank will deduct public dues from the interest and shall credit the remaining amount. In the event of Early Withdrawal of Deposits, the Bank credits the Client with the amount of the Deposit Amount adjusted by the interest calculated on the basis of the early withdrawal interest rate, on the date of Early Withdrawal. If this is stipulated as mandatory by the applicable laws, the Bank will deduct public dues from the Interest and shall credit the remaining amount. The repayment currency shall be the same as the deposit placement currency.
- 3.8. The Client is entitled to initiate the Early Withdrawal of Deposits (unless otherwise agreed by the parties) on banking days, but no later than on the day of the Early Withdrawal, during the normal Business Hours for the conclusion of the transaction, and to request an Offer from the Bank. The Bank is entitled, but not obliged, to make an offer to the Client to enter into an agreement on Early Withdrawal of Deposits. The present GM GTC and the individual agreement and confirmation relating to the establishment of the Individual Deposit Transaction shall apply accordingly to the Early Withdrawal of Deposits. The Parties shall agree on the following terms and conditions in order to agree on the Early Withdrawal of Deposits:
  - a) Amount affected by the Early Withdrawal of Deposits;
  - b) Early Withdrawal of Deposits interest rate;
  - c) Amount of the breaking costs;
  - d) Date of Early Withdrawal of Deposits.

If the Parties have agreed to charge a breaking cost, the Bank shall debit the amount of the breaking cost from the Client's Payment Account. Notwithstanding the foregoing, the Parties expressly agree that if the Bank makes available the amount deposited in the Individual Deposit Transaction other than by crediting it to the Client's Payment Account, the Bank shall make available to the Client the amount of the deposit less the amount of the breakage cost.

The repayment currency shall be the same as the deposit placement currency.

- 3.9. If, at the time of concluding an Individual Deposit Transaction with variable interest rate, the Bank and the Client have agreed that the Client has the right to unilateral Early Withdrawal of Deposits, the Client may exercise this right on the Transaction Channel under these GM GTC during normal business hours on banking days (but no later than the day of Early Withdrawal of Deposits, which shall not be later than the last business day prior to the maturity date). Early Withdrawal of Deposits can only be exercised for the entire Deposit Amount committed in the Individual Deposit Transaction. The declaration of unilateral Early Withdrawal of Deposits must always state the date of Early Withdrawal of Deposits.
- 3.10. The Bank will automatically terminate the deposit on the Payment Account on the maturity date, taking into account any Early Withdrawal of Deposits during the term.
- 3.11. If the Payment Accounts involved in an Individual Deposit Transaction are terminated during the term of an Individual Deposit Transaction, the provisions applicable to Early Withdrawal of Deposits shall apply, provided that the amount affected by the Early Withdrawal of Deposits shall be the total amount of the deposit and the date of Early Withdrawal of Deposits shall be the date of termination of the account.
- 3.12. Individual Deposit Transactions are secured by the National Deposit Insurance Fund (NDIF). The Bank draws attention to the fact that under Section 213(2) of the Credit Institutions Act, the insurance provided by the NDIF does not cover Deposits for which a court has determined in a final judgment that the amount placed therein originates from money laundering. The Bank also draws attention to the fact that Individual Deposit Transactions entered into by persons specified in Section 213(1) of the Credit Institutions Act are not covered by the NDIF insurance, excluding Deposits of local municipalities and budgetary entities established by them, if, based on the data of the financial statements two years prior to the current year, the local municipality's budget balance sheet total does not exceed five hundred thousand euros.
- 3.13. Unless otherwise agreed by the Parties in the Individual Deposit Transaction, the interest rate on the deposit shall be calculated according to the following formula:

$$\text{Amount of interest} = \frac{\text{capital} \times \text{deposit period in calendar days} \times \text{interest rate}}{365 \text{ days} \times 100}$$

3.14. The calculation of the unified deposit rate index (UDRI) applied to the Individual Deposit Transaction under the relevant legislation is based on the following formulae:

3.14.1. The formula for calculating the UDRI if the remaining maturity is less than 365 days:

$$\text{Deposit placed} = \sum_{i=1}^n \frac{(k + bv)i}{1 + r \times (t_i / 365)}$$

where:

n: number of interest payments,

r: UDRI amount,

$t_i$ : is the remaining number of days from the deposit-opening date to the  $i^{\text{th}}$  disbursement,

$(k+bv)$  i: the amount of interest and deposit repayments paid on the  $i^{\text{th}}$  payment.

3.14.2. The UDRI calculation formula, when the tenure remaining until maturity is at least 365 days:

$$\text{Deposit placed} = \sum_{i=1}^n \frac{(k + bv)i}{(1 + r)^{(t_i / 365)}}$$

where:

n: number of interest payments,

r: UDRI amount,

$t_i$ : is the remaining number of days from the deposit-opening date to the  $i^{\text{th}}$  disbursement,

$(k+bv)$  i: the amount of interest and deposit repayments paid on the  $i^{\text{th}}$  payment.

3.14.3. The UDRI calculation formula, if the deposit is paid in several instalments:

$$\sum_{i=1}^n \frac{B_i}{(1 + r)^{(t_i / 365)}} = \sum_{j=1}^m \frac{K_j}{(1 + r)^{(t_j / 365)}}$$

n: number of deposit payments,

$B_i$ : the  $i^{\text{th}}$  deposit payment amount,

$t_i$ : is the remaining number of days from the deposit-opening date to the  $i^{\text{th}}$  deposit payment,

r: UDRI amount,

m: number of payments,

$t_j$ : is the remaining number of days from the deposit-opening date to the  $j^{\text{th}}$  disbursement and

$K_j$ : amount of the  $j^{\text{th}}$  disbursement.

3.15. In case of Individual Deposit Transactions, the GM Framework Agreement contains the personal identification data kept on record by the Bank.