otp Global Markets

PRODUCT INFORMATION

STOCK EXCHANGE OPTIONS

GLOBAL MARKETS DEPARTMENT OF OTP BANK PLC.

May 04, 2020

Please read this Product Information carefully before concluding a contract on stock exchange options. For further information, please contact our staff.

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OTP Bank Plc shall fulfil its obligations imposed by the legal regulations or requirement of supervisory authority by the documents in Hungarian language.
In the event of any discrepancy between the English language and Hungarian language versions, the Hungarian language version shall prevail.

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1. Description of stock exchange options

The stock exchange is a place of business where exchange-traded instruments are bought and sold under fixed rules promoting the open development of prices. The strict rules of the stock exchange guarantee the safety of trading. Only members of the stock exchange can trade on stock exchange; the conditions of membership are defined by the Exchange Rules. Exchange members must be adequately prepared and capitalised enterprises that adhere to the rules of the stock exchange and pay the membership fee. Private individuals and companies can trade in the stock exchange through intermediary exchange members based on the service contracts concluded with them. Stock exchange options are standardised agreements between the customer and OTP Bank Plc. (hereinafter: Bank), in which the option seller (writer) undertakes to buy (put option) or sell (call option) – depending on the type of the option – the underlying instrument (e.g. currency, interest rate, share, index, ETF or commodity) constituting the subject of the option at a pre-defined price (strike price). At the same time, the buyer of the option acquires the right to buy (call) or sell (put) – depending on the type of the option – the underlying instrument. Upon the conclusion of the deal, the buyer is required to pay an option premium, i.e. the price of the option.

Features

- The Bank executes stock exchange options on the BSE, on Deutsche Börse or, through the Execution Partner, on any other stock exchange of the world to which the Bank undertakes to forward the order.
- Options are typically purchased by customers who would like to eliminate the risk of loss while also benefiting from potential favourable price movements. Options are typically sold by investors who are willing to undertake an unlimited risk of loss, in exchange for which they receive an option premium from the Bank.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the rules applicable to the given stock exchange, clearing house and central counterparty.

2. The risks of stock exchange options

Market value of the product

All option positions have a market value. The value of the option contract is determined, among other factors, by the price of the underlying instrument, the market yields for the given maturity and the volatility of the yields. The higher the fluctuation (volatility) of the price of the underlying instrument, the riskier the investment.

Balance sheet effect

As the market value of the option contract depends on price developments, the market value of the transaction can change continuously during the term of the contract. It is possible that the customer will recognise a highly negative market value on his balance sheet during the term of the transaction. In addition, the closing of the position before expiry may result in a significant loss for the customer. While the profit achievable on the product is limited, the extent of potential loss is unlimited.

Additional leverage

The product is leveraged. The customer does not need to provide the total principal amount in order to conclude an option contract; it is enough to deposit a pre-determined percentage of the transaction value as collateral. Market movements unfavourable for the customer could exert additional leverage effects, potentially leading to significant losses.

Additional cost of capital, margining

Apart from the initial margin requirement, a specificity of standardised stock exchange options is the daily settlement of the results realised on the positions. Upon the closure of the stock market on the first day, the difference between the closing price and the contractual option price and during the rest of the term, the difference between the closing price of the given day and the closing price of the previous day are financially settled for the underlying instrument.

In accordance with the contractual terms, the customer must make available to the Bank the required collateral. In case of unfavourable price movements, the Bank may require additional margin. The customer is required to provide the additional margin in accordance with the contractual terms, and any losses sustained as a result – which could be substantial – will be borne exclusively by the customer. The Bank determines the additional margin requirement of stock exchange options based on the current fair market value of the transaction. The customer is required to post collateral in the form (cash or security collateral) and in the currency specified by the Bank. The monetary or financial instrument constituting the collateral of stock exchange transactions may be also pledged on a client sub-account managed by the stock exchange, clearing house or Execution Partner. The collateral may be released as soon as the reason for the blocking of the collateral ceases to exist.

Possibility of the unilateral liquidation of the position

The Bank requires collateral for the option transaction based on the current fair market value of the option. If, for any reason, the collateral pledged by the customer is deemed insufficient by the Bank to cover the financial risk of the positions opened and held by the customer, the Bank may require additional margin. Upon the Bank's call, the customer is required to provide the additional margin in accordance with the contractual terms, and any losses sustained as a result will be borne exclusively by the customer. If the customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could involve substantial losses for the customer. Liquidation costs, potential capital losses and the consequences of the failure of liquidation shall be borne exclusively by the customer.

Sale or purchase obligation at the pre-fixed price

Under the contractual terms, when the option is exercised the option seller (writer) is required to buy/sell the underlying instrument at the strike price. If the price of the underlying instrument is higher than the strike price upon the closure or settlement of a call option, the option seller will sustain a loss on the transaction. Similarly, if the price of the underlying instrument is lower than the strike price upon the closure or settlement of a put option, the option seller will sustain a loss on the transaction.

3. European Call Option purchase Sample transaction

The customer expects the price of MOL shares to increase over the next 6 months, but he does not completely rule out the possibility of a decline in the share price either; therefore, he buys a European call option.

TRANSACTION PARAMETERS	
Maturity	6 months
Stock exchange	BUDAPEST STOCK EXCHANGE (BSE)
Equity	MOL Plc.
Quantity	5,000 shares
MOL spot price	HUF 3,000 (Bloomberg: MOL HB Equity)
Option type and customer's direction	European call for MOL stock
Strike price	HUF 3,150
Option price (premium)	HUF 4750,000

If the customer buys a call option for a term of 6 months and the share price increases during the term, the customer may realise a capital gain upon the closure of the position. Likewise, should the share price drop, the customer could incur a loss.

In the example, the customer expects the price of MOL shares to exceed HUF 3,300 at maturity:

The product is presented according to different stock price scenarios:

1. There is an extreme rise in the price of MOL shares during the term.
2. There is an extreme fall in the price of MOL shares during the term.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

1. There is an extreme rise in the price of MOL shares during the term.

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 4,800

- **Example for the settlement of the option:**

In return for the premium of HUF 750,000 paid upon contract conclusion, under his option contract the customer can buy a MOL share for HUF 3,150 at maturity, which – if his expectations about share price developments hold true – he can sell for HUF 4,800 at maturity.

Pre-tax result of the transaction:
(4,800 – 3,150) * 5,000 – 750,000 = HUF 7,500,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

When buying an option, the customer must pay the option premium upon the conclusion of the contract; therefore, with respect to this transaction type, he is not required to post collateral during the term.

2. Extreme fall in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 1,300

- **Example for the settlement of the option:**

In return for the premium of HUF 750,000 paid upon contract conclusion, under his option contract the customer can buy a MOL share for HUF 3,150 at maturity.

If the price of MOL shares is below HUF 3,150 at maturity, no settlement will take place, as the customer will be able to buy MOL shares on the market at a lower price than the strike price of the option.

Pre-tax result of the transaction: HUF -750,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

When buying an option, the customer must pay the option premium upon the conclusion of the contract; therefore, with respect to this transaction type, he is not required to post collateral during the term.

From the perspective of the customer, a customer with a long call option position will face the biggest risk if the share price drops below the strike price. Current estimates are based on a one-off, market stress induced change in the price, and do not imply a maximum limit for the potential capital loss arising from the transaction.

4. European Put Option purchase Sample transaction

The customer expects the price of MOL shares to decrease over the next 6 months, but he does not completely rule out the possibility of an increase in the share price either; therefore, he buys a European put option.

TRANSACTION PARAMETERS	
Maturity	6 months
Stock exchange	BUDAPEST STOCK EXCHANGE (BSE)
Equity	MOL Plc.
Quantity	5,000 shares
MOL spot price	HUF 3,000 (Bloomberg: MOL HB Equity)
Option type and customer's direction	European put for MOL stock
Strike price	HUF 3,150
Option price (premium)	HUF 1,750,000

If the customer buys a put option for a term of 6 months and the share price decreases, he could realise a capital gain upon the closure of the position. Likewise, should the share price rise, the customer could incur a loss.

In the example, the customer expects the price of MOL shares to be below HUF 2,800 at maturity:

The product is presented according to different stock price scenarios:

1. There is an extreme fall in the price of MOL shares during the term.
2. There is an extreme rise in the price of MOL shares during the term.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

1. Extreme fall in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 1,300

- **Example for the settlement of the option:**

In return for the premium of HUF 1,750,000 paid upon contract conclusion, under his option contract the customer can sell a MOL share for HUF 3,150 at maturity, which he can buy for HUF 1,300 at maturity in case of an extreme fall in share prices.

Pre-tax result of the transaction:
(3,150 – 1,300) * 5,000 – 750,000 = HUF 7,500,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

When buying an option, the customer must pay the option premium upon the conclusion of the contract; therefore, with respect to this transaction type, he is not required to post collateral during the term.

2. Extreme rise in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 4,500

- **Example for the settlement of the option:**

In return for the premium of HUF 1,750,000 paid upon contract conclusion, under his option contract the customer can sell a MOL share for HUF 4,500 at maturity.

If the price of MOL shares is above HUF 3,150 at maturity, no settlement will take place, as the customer will be able to sell MOL shares on the market at a higher price than the strike price of the option.

Pre-tax result of the transaction: HUF -1,750,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

When buying an option, the customer must pay the option premium upon the conclusion of the contract; therefore, with respect to this transaction type, he is not required to post collateral during the term.

From the perspective of the customer, a customer with a long put option position will face the biggest risk if the share price rises above the strike price. Current estimates are based on a one-off, market stress induced change in the price, and do not imply a maximum limit for the potential capital loss arising from the transaction.

5. European Call Option sale Sample transaction

The customer expects the price of MOL shares to decrease over the next 6 months, and therefore he sells a European call option.

TRANSACTION PARAMETERS	
Maturity	6 months
Stock exchange	BUDAPEST STOCK EXCHANGE (BSE)
Equity	MOL Plc.
Quantity	5,000 shares
MOL spot price	HUF 3,000 (Bloomberg: MOL HB Equity)
Option type and customer's direction	European call for MOL stock
Strike price	HUF 3,150
Option price (premium)	HUF 750,000

If the customer sells a call option for a term of 6 months and the share price decreases, the customer may realise a capital gain upon the closure of the position. Likewise, should the share price rise, the customer could incur a loss.

In the example, the customer expects the price of MOL shares to be below HUF 3,300 at maturity.

The product is presented according to different stock price scenarios:

1. There is an extreme fall in the price of MOL shares during the term.
2. There is an extreme rise in the price of MOL shares during the term.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

1. Extreme fall in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 1,300

- **Example for the settlement of the option:**

In return for the premium of HUF 750,000 received upon contract conclusion, under his option contract the customer must sell a MOL share for HUF 3,150 at maturity.

If the price of MOL shares is below HUF 3,150 at maturity, no settlement will take place, as the buyer of the option will be able to buy MOL shares on the market at a lower price than the strike price of the option.

Pre-tax result of the transaction: HUF 750,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

Global Markets customers of the Bank are required to post collateral in order to take short option positions against the Bank; in other words, they must provide sufficient collateral for meeting the initial margin requirement upon the conclusion of the contract. The Bank determines a transaction's initial margin and variation margin requirement based on the level stipulated by the given stock exchange, clearing house or Execution Partner.

For instance, if the initial margin requirement of the BSE is 10 per cent of the notional value, the collateral requirement upon the conclusion of the contract will be:
3,000 * 5,000 * 0.1 * 1.5 = HUF 2,250,000.

The customer will have to provide additional collateral if, due to unfavourable shifts in market prices, the collateral requirement of the customers' transactions that cannot be covered by the pledged collateral exceeds the maximum acceptable limit. In case of adverse price movements, the Bank may require additional margin based on the current fair market value of the option, which could increase the collateral requirement significantly. If the

customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could involve substantial losses for the customer.

If the BSE’s variation margin requirement is HUF 1 million at the end of the first day, then, for example, the variation margin requirement at the end of the 1st day will be:
1,000,000 * 1.5= HUF 1,500,000

2. Extreme rise in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 4,800

- **Example for the settlement of the option:**

In return for the premium of HUF 750,000 received upon contract conclusion, under his option contract the customer must sell a MOL share for HUF 3,150 at maturity.

Pre-tax result of the transaction:
(3,150 – 4,800) * 5,000 + 750,000 = HUF –7,500,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

Global Markets customers of the Bank are required to post collateral in order to take short option positions against the Bank; in other words, they must provide sufficient collateral for meeting the initial margin requirement upon the conclusion of the contract. The Bank determines a transaction’s initial margin and variation margin requirement based on the level stipulated by the given stock exchange, clearing house or Execution Partner.

For instance, if the initial margin requirement of the BSE is 10 per cent of the notional value, the collateral requirement upon the conclusion of the contract will be:

3,000 * 5,000 * 0.1 * 1.5 = HUF 2,250,000.

The customer will have to provide additional collateral if, due to unfavourable shifts in market prices, the collateral requirement of the customers' transactions that cannot be covered by the pledged collateral exceeds the maximum acceptable limit. In case of adverse price movements, the Bank may require additional margin based on the current fair market value of the option, which could increase the collateral requirement significantly. If the customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could involve substantial losses for the customer.

If the BSE's variation margin requirement is HUF 1 million at the end of the first day, then, for example, the variation margin requirement at the end of the 1st day will be:
1,000,000 * 1.5= HUF 1,500,000

From the perspective of the customer, a customer with a short call option position will face the biggest risk if the share price rises far above the strike price. Current estimates are based on a one-off, market stress induced change in the price, and do not imply a maximum limit for the potential capital loss arising from the transaction.

6. European Put Option sale
Sample transaction

The customer expects the price of MOL shares to increase over the next 6 months, and therefore he sells a European put option.

TRANSACTION PARAMETERS	
Maturity	6 months
Stock exchange	BUDAPEST STOCK EXCHANGE (BSE)
Equity	MOL Plc.
Quantity	5,000 shares
MOL spot price	HUF 3,000 (Bloomberg: MOL HB Equity)
Option type and customer's direction	European put for MOL stock
Strike price	HUF 3,150
Option price (premium)	HUF 1,750,000

If the customer sells a put option for a term of 6 months and the share price increases, the customer may realise a capital gain upon the closure of the position. Likewise, should the share price drop, the customer could incur a loss.

In the example, the customer expects the price of MOL shares to exceed HUF 2,800 at maturity:

The product is presented according to different stock price scenarios:

1. There is an extreme rise in the price of MOL shares during the term.
2. There is an extreme fall in the price of MOL shares during the term.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

1. Extreme rise in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 4,900

- **Example for the settlement of the option:**

In return for the premium of HUF 1,750,000 received upon contract conclusion, under his option contract the customer must buy a MOL share for HUF 3,150 at maturity.

If the price of MOL shares is above HUF 3,150 at maturity, no settlement will take place, as the buyer of the option will be able to sell MOL shares on the market at a higher price than the strike price of the option.

Pre-tax result of the transaction: HUF 1,750,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

Global Markets customers of the Bank are required to post collateral in order to take short option positions against the Bank; in other words, they must provide sufficient collateral for meeting the initial margin requirement upon the conclusion of the contract. The Bank determines a transaction’s initial margin and variation margin requirement based on the level stipulated by the given stock exchange, clearing house or Execution Partner.

For instance, if the initial margin requirement of the BSE is 10 per cent of the notional value, the collateral requirement upon the conclusion of the contract will be:
3,000 * 5,000 * 0.1 * 1.5 = HUF 2,250,000.

The customer will have to provide additional collateral if, due to unfavourable shifts in market prices, the collateral requirement of the customers’ transactions that cannot be covered by the pledged collateral exceeds the maximum acceptable limit. In case of adverse price movements, the Bank may require additional margin based on the current fair market value of the option, which could increase the collateral requirement significantly. If the

customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could involve substantial losses for the customer.

If the BSE's variation margin requirement is HUF 1 million at the end of the first day, then, for example, the variation margin requirement at the end of the 1st day will be:
1,000,000 * 1.5= HUF 1,500,000

2. Extreme fall in the price of MOL shares

MOL spot price at the beginning of the term: HUF 3,000
MOL spot price at maturity: HUF 1,400

- **Example for the settlement of the option:**

In return for the premium of HUF 1,750,000 received upon contract conclusion, under his option contract the customer must buy a MOL share for HUF 3,150 at maturity.

Pre-tax result of the transaction:
(1,400 – 3,150) * 5,000 + 1,750,000 = HUF –7,000,000

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

- **Example for the collateral requirement:**

Global Markets customers of the Bank are required to post collateral in order to take short option positions against the Bank; in other words, they must provide sufficient collateral for meeting the initial margin requirement upon the conclusion of the contract. The Bank determines a transaction's initial margin and variation margin requirement based on the level stipulated by the given stock exchange, clearing house or Execution Partner.

For instance, if the initial margin requirement of the BSE is 10 per cent of the notional value, the collateral requirement upon the conclusion of the contract will be:
3,000 * 5,000 * 0.1 * 1.5 = HUF 2,250,000.

The customer will have to provide additional collateral if, due to unfavourable shifts in market prices, the collateral requirement of the customers' transactions that cannot be covered by the pledged collateral exceeds the maximum acceptable limit. In case of adverse price movements, the Bank may require additional margin based on the current fair market value of the option, which could increase the collateral requirement significantly. If the customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could involve substantial losses for the customer.

If the BSE's variation margin requirement is HUF 1 million at the end of the first day, then, for example, the variation margin requirement at the end of the 1st day will be:
1,000,000 * 1.5= HUF 1,500,000

From the perspective of the customer, a customer with a short put option position will face the biggest risk if the share price falls far below the strike price. Current estimates are based on a one-off, market stress induced change in the price, and do not imply a maximum limit for the potential capital loss arising from the transaction.

7. Summary of the advantages and disadvantages of stock exchange options

Main advantages of the transaction

- In case of favourable market developments, under the terms of the stock exchange option contract customers can benefit from favourable changes in the price of the underlying instrument without having to purchase it immediately, hence they can move high-value positions with small capital investment.
- Customers can protect themselves from the risk of capital loss while also benefiting from potential favourable price movements.
- Upon the customer's request, the option position can be closed by an offsetting contract during the term.

Main risks of the transaction

- For buying the option, the premium must be paid in advance.
- Selling the option entails a performance obligation on the customer's part: he must execute the purchase/sale transaction at the fixed exchange rate even if the exchange rate levels prove to be lower/higher than the fixed rate at maturity; i.e. he could incur unlimited capital losses.
- If the customer closes the position with an offsetting contract during the term, depending on the prevailing market conditions, he could incur unlimited losses.
- The maintenance margin (the minimum margin requirement) is determined unilaterally by the stock exchange and/or clearing house for individual instruments/contracts.
- If, for any reason, the collateral pledged by the customer is deemed insufficient by the Bank to cover the financial risk of the positions opened and held by the customer, the Bank may require additional margin. Upon the Bank's call, the customer is required to provide the additional margin in accordance with the contractual terms, and any losses sustained as a result will be borne exclusively by the customer. If the customer fails to provide the required additional margin in accordance with the contractual terms despite being called upon by the Bank, the Bank may decide to liquidate the position, which could

involve substantial losses for the customer. Liquidation costs, potential capital losses and the consequences of the failure of liquidation shall be borne exclusively by the customer.

8. Miscellaneous information

Prerequisites for entering into stock exchange options contracts

- Agreeing to the Sales Terms and Conditions of OTP Bank Plc.'s Global Markets Department, concluding the attached Global Markets Framework Agreement with the Bank and signing any other required documents
- Concluding agreements for payment accounts and securities accounts denominated in the settlement currency of the transaction
- Posting collateral as specified by the Bank
- Providing all data required for obtaining preliminary information pursuant to Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (hereinafter: Act on Investment Firms), and filling out the fitness/compliance test prescribed by the Act on Investment Firms

Guarantees linked to stock exchange options

Coverage available under the National Deposit Insurance Fund (OBA) and the Investor Protection Fund (BEVA) is not applicable to stock exchange options.

Fees and charges related to stock exchange options

The Bank's quotation pertaining to stock exchange options transactions includes all direct fees and charges. It does not include any indirect costs related to obtaining and holding the financial instrument or to the conclusion, maintenance and performance of the contract (e.g. fee, commission, tax, account management).

Tax implications of stock exchange options

OTP Bank Plc. makes the tax payments prescribed by prevailing regulations for the payment agent, which may involve liabilities of various degrees, depending on the taxation law status of the beneficiary (e.g. tax residency) and the legal title of income earning. In performing its tax

payment obligations as a payment agent, OTP Bank Plc. issues a voucher on the payment and, as required by law, calculates, deducts, pays and issues a tax return on the tax liability on the payment, and fulfils its reporting obligation with respect to the payment toward the tax authority. Please note that adequate information regarding the tax treatment or the tax implications may only be provided in consideration of the individual circumstances of each customer and may be subject to change in the future.

Before concluding a contract on exchange-traded transactions, please obtain information regarding the taxation rules applicable to income from exchange-traded transactions.

Miscellaneous information

For further general information please refer to OTP Bank Plc. Uniform Prior Information, the Sales Terms and Conditions of the Global Markets Department of OTP Bank Plc. and the announcements attached thereto, the Global Markets Framework Agreement and the List of Conditions, the Investment Services Division Business Regulations , the Information for Clients on MiFID, the General Information on Short Selling, the EMIR Announcement and any other notices referenced therein as well as Annexes thereto, all of which are accessible at the Bank's website at http://www.otpbank.hu or are available upon request at the branches of OTP Bank Plc.

9. Notices and disclaimers

1. This product information is complete with the following documents of OTP Bank Plc. as inseparable annexes hereto:

- Preliminary Announcement on certain Global Markets services rendered by at the Global Markets Department of OTP Bank Plc.; individual product information materials and any documents attached thereto along with all referenced business terms and notices;
- Uniform Prior Information;
- Information for Clients on MiFID;
- General Information on Short Selling;
- Announcement on compliance with certain provisions of the EMIR – in respect of investment services;
- Sales Terms and Conditions of OTP Bank Plc.'s Global Markets Department, documents attached thereto along with all referenced notices, Global Markets Framework Agreement along with any other relevant and required documents;
- Investment Services Division Business Regulations along with any other business terms and notices referenced therein, as well as annexes thereto;
- General Business Terms and Conditions of OTP Bank Plc. and documents attached thereto along with all referenced notices;
- Prospectuses, base prospectuses, notices, as well as regular and extraordinary announcements published by the issuer or the broker in relation to individual financial instruments.

Please read all of the above documents and any other notices referenced or indicated therein in order to ensure that you can make informed decisions, in full awareness of all information pertaining to the transactions presented in this Product Information. Moreover, before making an informed decision about the use of the investment or the service, please be advised to carefully consider the subject and risk of your investment, the associated fees and charges and the possibility of potential losses, and to obtain information regarding the tax regulations pertaining to the product or the investment. Prices of financial instruments and securities are subject to change. Spot trades are transacted at the current exchange rate, which may involve a capital loss.

2. The publication of this Product Information and its transfer to customers do not constitute an offer, investment advise, tender notice, investment consulting, investment or financial analysis, solicitation for the purchase of any financial instrument, or any other kind of advice on legal, tax, or accounting issues, and the data provided herein are provided for informational purposes, intended solely as the provision of advance information to OTP Bank Plc.'s current and future customers as required by law. The contents of this information document are limited to general information and knowledge and as such, it disregards the unique or specific needs of individual customers and their willingness and ability to take risk; therefore, in case of any questions, please contact our staff or refer to your bank consultant before making an investment decision. Should you require investment advice from OTP Bank Plc. prior to making your decision, please contact our staff with a view to concluding an investment counselling agreement and making the necessary statements (particularly a suitability test).

3. Each investment carries certain risks that can affect the outcome of the investment decision, and investors may not necessarily realise their expected investment goal or recover their cost of the investment; accordingly, some or all of the invested capital may be lost, and may also incur additional payment obligations.

4. Before entering into a contract for the execution of the transaction contained in this Product Information, OTP Bank Plc. will provide detailed information in respect of the transactions regarding their risks, market position, volatility and any limitations that may apply to market entry, changes in prices, as well as any other information relating to the transactions contained herein.

5. All data and information contained herein are based on estimates and no reliable conclusions may be made concerning prospective future yields, changes or performance in reliance hereon. All charts and calculations are intended to be examples, presenting potential future situations. No information contained herein may be perceived as demonstrations of particular transactions even if client is involved in transactions identical or similar to those contained herein. No estimates may be made based on the data contained herein concerning either the current or the future level of interest rates, or expected interest rate developments. The data contained herein do not constitute information on the changes or performance of particular financial instruments, whether past or future. Any risks associated

with the specific, individual decisions made in reliance on the contents of this Product Information shall be borne solely by the investor, and OTP Bank Plc. shall not be held liable either for the success of the investment decisions or the achievement of the goals set by the investor.

6. OTP Bank Plc. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein. Please note that the conclusion of a given contract and the submission of orders may involve further obligations, such as the collateral requirement of the transaction or the provision of supplementary collateral, and a failure to meet such obligations in accordance with the relevant provisions of the contract could result in losses upon the closure of the position. If the specific financial instrument is traded on the regulated market, please consult the websites of the competent regulated market and clearing house to obtain further information and data on the applicable trading terms and settlement.

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