

Extract of Announcement on Deposit Products Taken Over During the Transfer of the Citibank Retail Portfolio

Effective from: 04 February 2017

The Announcement contains the interest rates and other conditions of deposit products taken over during the transfer of Citibank's retail portfolio and deposit products no longer sold. New products may be applied for according to the General Terms of Contract for Erste Retail Banking Services of Erste Bank and the Announcement of Consumer Accounts and Deposits.

I. HUF term deposits

I.1. One-time and recurring HUF term deposits

Period	Annual interest rate		EBKM/UDRI	
	One-time	Recurring	One-time	Recurring
1 week/ 1 month	0.01%	0.01%	0.01%	0.01%
2 months	0.01%	0.01%	0.01%	0.01%
3 months	0.01%	0.01%	0.01%	0.01%
6 months	0.05%	0.01%	0.05%	0.01%
12 months	0.05%	0.01%	0.05%	0.01%

Interest rates of term deposits are separate from any fixing channels.
If the term deposit is terminated before its maturity date, the Bank will not pay any interest.

II. FX term deposits

II.1. Recurring FX deposit

Foreign exchange	1 week/ 1 month		2 months		3 months		6 months		12 months	
	Interest per annum	EBKM/UDRI	Interest per annum	EBKM/UDRI	Interest per annum	EBKM/UDRI	Interest per annum	EBKM/UDRI	Interest per annum	EBKM/UDRI
USD	0.05%	0.05%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.30%	0.30%
EUR	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
GBP	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

No partial sum may be withdrawn from the term deposits.
If the term deposit is terminated before its maturity date, the Bank will not pay any interest.



III. Long-term savings

III.1 'Erste Tartós Megtakarítási Betétszámla' Account (Long-Term Investment Account)

In case of HUF accounts	Interest <i>EBKM/UDRI</i>)
Basic interest rate	0.20% (0.20%)
Premium interest rate	The base rate of interest of the central bank valid on 30 September 2016 and published by the National Bank of Hungary – 1.00%, minus the base interest rate of the 'ERSTE Tartós Megtakarítási Betétszámla'.

In case of accounts kept in a currency other than HUF	Interest (<i>EBKM/UDRI</i>)
Demand deposit interest rate	0.01% (0.01%)

The 'Tartós Megtakarítási Betétszámla' is a savings account where the deposited savings can be exempted from interest tax under the conditions specified by law.

With the 'Tartós Megtakarítási Betétszámla', it is possible to deposit savings in such a way that you need not pay a 15% interest tax and a 6% healthcare contribution or to be able to reduce the interest tax to 10%:

- If you keep your savings on a 'Tartós Megtakarítási Betétszámla' until the end of the fifth year following the year of payment to the account, you will be exempted from paying any tax and contribution.
If you keep your savings on a 'Tartós Megtakarítási Betétszámla' until the end of the third year following the year of payment to the account, you will have to pay only 10% tax on the amount over and above the amount you have deposited.

III.2. 'Erste Tartós Lekötött Betét' long-term term deposit

Tie-up Period	Annual interest rate	<i>EBKM/UDRI</i>
6 months	0.25%	0.25%
12 months	0.35%	0.35%

Detailed conditions for Long-term HUF Savings

'Erste Tartós Megtakarítási Betétszámla'

- For using an 'ERSTE Tartós Megtakarítási Betétszámla', the Depositor need to hold a retail HUF bank account with Erste Bank Hungary Zrt.
- If an 'ERSTE Tartós Megtakarítási Betétszámla' is opened in the name of the Co-holder of a jointly held bank account, Erste Bank Hungary Zrt. will execute transfers between the retail bank account kept with Erste Bank Hungary Zrt. and the 'ERSTE Tartós Megtakarítási Betétszámla' associated with it as transfer between own accounts within the Bank.
- The Bank does not charge any fee or commission for keeping the 'ERSTE Tartós Megtakarítási Betétszámla'.
- After three years, the Depositor may extend the tenor of the term deposit by two years, to five years. The balance of the 'ERSTE Tartós Megtakarítási Betétszámla' may be reduced in part on the first banking day following the end of the third calendar year or may be withdrawn in full.
- Daily interest is calculated on the basis of the daily closing balance.
- Interest rate attainable: Base Interest Rate + Interest Premium.
- According to this Announcement, 'Base interest rate' means the minimum deposit interest rate quoted by Erste Bank Hungary Zrt.
- Erste Bank Hungary Zrt. pays an interest premium for the balance of the 'ERSTE Tartós Megtakarítási Betétszámla' if the Deposit Account still exists on the last day of the calendar year.



- (i) The interest is credited to the account on the last day of every calendar year.
- (j) The whole tied-up amount deposited on the 'ERSTE Tartós Megtakarítási Betétszámla' is accessible at bank branches at any time during the calendar year by terminating the deposit account.
- (k) The redemption interest rate is equal to the base interest rate, i.e. if the deposit is terminated during the calendar year, the Bank will pay the base interest accrued until termination to the Depositor. When the 'ERSTE Tartós Megtakarítási Betétszámla' is terminated, the Bank pays the accrued interest to the Depositor without deducting interest tax.
- (l) It is not possible to withdraw partial amounts, except for the first banking day following the last day of the 3rd year following the accumulation year, with the proviso that the amount deposited as long-term savings may not fall below HUF 25,000.
- (m) If the 'ERSTE Tartós Megtakarítási Betétszámla' is terminated, Erste Bank Hungary Zrt. will issue a certificate of the interest income earned for the Depositor by 15 February following the calendar year. The Depositor is obliged to file a return for and to pay the tax payable on such income. The Terms of contract of the 'ERSTE Tartós Megtakarítási Betétszámla' are set out in the General Business Conditions for Erste Retail Banking Services for Customers taken over from Citibank and the Long-term Savings Contract.

IV. Demand deposit interest rates

IV.1. Current Accounts (Transaction-account)

Currency of bank account	Annual interest rate	EBKM/UDRI
HUF, EUR, USD, CHF, GBP, CAD	0.01%	0.01%

Interest is calculated daily and is credited quarterly, on the last day of the reference quarter.

IV.2. Erste Money Market Indexed Account

The Erste Money Market Indexed Account may not be applied for as of 15 June 2016.

The Erste Money Market Indexed Account is a sight, HUF-based transaction account, with its interest rates being tied to the 1-day BUBOR rate.

Annual interest rate	EBKM/UDRI
Weighted arithmetic average of the 1-day daily BUBOR rates – 6%, min. 0.01%	At the BUBOR valid on 30 September 2016: 0.01%

The Bank sets the interest rate applicable to the calendar month in question on the last banking day of the month as the result of the **weighted arithmetic average of the official 1-day daily BUBOR rates quoted on banking days in the reference calendar month minus 6%**. The interest is credited to the account on the basis of the above formula, with daily balance calculation, on the last day of the reference month. On Saturdays, Sundays and bank holidays, the BUBOR rate quoted and the balance shown on the preceding last banking day apply. The relevant BUBOR rates are set and published by the National Bank of Hungary on all banking days, to an accuracy of two decimal places. The Bank reserves the right to modify the value of the interest calculation index in accordance with changes in the money market, without giving prior notice. The 1-day BUBOR rates are available on the website of the National Bank of Hungary (www.mnb.hu) or at our bank branches and our telephone customer service every day after 11 a.m.

If the account is terminated during the month (before the last banking day of the reference month), the pro rata interest will be established on the basis of the interest rate published for the previous month.



IV.3. Interest rates for the 'Erste Takarékszámla' (according to the rules for tiered interest)

No new FX savings accounts may be opened as of 20 June 2005.
No new HUF savings accounts may be opened as of 4 February 2017.

	Limits	Annual interest rate	EBKM/UDRI
HUF accounts	between HUF 0 and 499,999	0.01%	0.01%
	between HUF 500,000 and 1,499,999	0.20%	0.20%
	from HUF 1,500,000	0.40%	0.40%

	Account type	Annual interest rate	EBKM/UDRI
FX accounts	EUR Savings Account	0.01%	0.01%
	USD Savings Account	0.01%	0.01%
	GBP Savings Account	0.01%	0.01%
	CHF Savings Account	0.01%	0.01%

V.5. Interest rates for the Erste Savings Plus Account

No new Erste Savings Plus Account may be opened as of 4 February 2017.

Fee packages allowing the use of an Erste Savings Plus Account	Annual interest rate	Requirement for the daily closing balance on HUF current accounts**
<ul style="list-style-type: none"> Erste World Plus Erste World Private Plus Erste Private C Plus 	Prevailing base rate of interest of the National Bank of Hungary – 2%, min. 0.01% (on 30.09.2016: 0.01%; EBKM/UDRI: 0.01%)	HUF 1,000,000
<ul style="list-style-type: none"> Erste TOP Plus* (Plus Savings Account) 		HUF 300,000
<ul style="list-style-type: none"> Erste Global Plus Erste TOP Plus Erste Premium C Plus Erste Comfort Plus Erste Control Plus Erste Net Plus 	Prevailing base rate of interest of the National Bank of Hungary – 2.5%, min. 0.01% (on 30.09.2016: 0.01%; EBKM/UDRI: 0.01%)	HUF 300,000

*Only Customers who hold a HUF current account in the 'Erste TOP Plus' Fee Package, an overdraft facility and a main credit card issued by Erste Bank are entitled to receive the higher interest rate.

The Bank is entitled, furthermore, to transfer the whole amount on the 'Erste TOP Plus Savings Plus Account' without the Customer's specific instruction to a designated HUF current account and to terminate the 'Erste TOP Plus Savings Plus Account' if:

- with respect to one of the other products associated with the 'Erste TOP Plus' Fee Package (current account, overdraft facility and credit card issued by Erste Bank), the contract is terminated unilaterally on the basis of the Bank's decision;
- with respect to one of the other products associated with the 'Erste TOP Plus' Fee Package (current account, overdraft facility and credit card issued by Erste Bank), the contract is terminated unilaterally on the basis of the Customer's decision;

The Erste Savings Plus Account and the 'Erste TOP Plus Savings Plus Account' may not be used at the same time. In addition to the above conditions of use, expressly applicable to the 'Erste TOP Plus Takarék Számla', the Erste TOP Plus Savings Plus Account is also governed by the following general conditions of use marked with **.

**It is a condition for using an Erste Savings Plus Account' in every fee package that the Customer hold a HUF current account and the daily closing balance of the HUF current account designated by him or her reach the minimum balance indicated in the table. One Erste Savings Plus Account may belong to one designated HUF current account. The holder of the designated HUF current account and the holder of the Erste Savings Plus Account may only be the same person. If the Customer gives an instruction to modify the ownership of either the designated HUF current account or the Erste Savings Plus Account, the Bank will also modify the ownership of the associated account.

The Bank examines the balance of the designated HUF current account on every banking day, during daily closing. If the balance of the designated current account is lower than the minimum balance, the Bank will top up the designated HUF current account up to the minimum balance on banking days to the debit of the positive balance of the Erste Savings Plus Account.

The Bank is entitled, furthermore, to transfer the total amount on the Erste Savings Plus Account to the designated HUF current account and to close the Erste Savings Plus Account in every fee package without the Customer's specific instruction:

- if the Customer initiates the termination of the designated current account and does not designate another HUF current account;
- if, as a result of the modification of the fee package (including the termination of his or her World customer status), the Customer is no longer entitled to use the Erste Savings Plus Account;
- if any of the conditions in Section 4 detailed above is not fulfilled.

V.6. Erste Premium Plus Savings Account (To Erste Premium Plus fee package) No new 'Erste Prémium Plus Takarékszámla' may be opened as of 4 February 2017.

Limits:	Annual interest rate	EBKM/UDRI in the amount bracket
HUF 0–2,000,000	Prevailing base rate of interest of the central bank – 0.25%	At the base rate of interest of the central bank valid on 30 September 2016: 0.66%
from HUF 2,000,000	0.01%	0.01%

Only Customers with the Erste Premium Plus Fee Package are entitled to use the Erste Premium Plus Savings Account.

Conditions for the Erste Premium Plus Savings Account:

- It is a condition for using the Erste Premium Plus Savings Account that the Customer hold an Erste Premium Plus HUF current account.
- One Customer may only have one savings account.
- The Bank is entitled, furthermore, to transfer whole amount on the Erste Premium Plus Savings Account to a designated HUF current account and to close the Erste Premium Plus



Savings Account without the Customer's specific instruction if the Customer initiates the termination of the designated current account and does not designate another HUF current account.

V. EBKM/UDRI settlement method

If the tie-up period remaining until the expiry of the term deposit is at least 365 days, the Bank will apply the following formula No 1 for calculating the EBKM/UDRI:

Formula No 1

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

Placed deposit

If the tie-up period remaining until the expiry of the term deposit is at least 365 days or in the case of deposits not tied up or tied up for an indefinite period (recurrently), the Bank will apply the following formula No 2 for calculating the EBKM/UDRI:

Formula No 2

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

Placed deposit

where: n: number of interest payments,
 r: one-hundredth of the EBKM/UDRI,
 t_i: number of days remaining from the date of deposit placement until the ith payment from the account,
 (k+bv)ⁱ: total of the interest and deposit amount payment at the ith payment from the account.