

ANNOUNCEMENT

on exchange of cash denomination, the handling of marketable and unfit forint banknotes and forints

CITIBANK EUROPE PLC HUNGARIAN BRANCH OFFICE (hereinafter: the “Bank”), in the name of **CITIBANK EUROPE PLC** informs you about the followings:

A. Exchange of denomination of forint banknotes and coins

According to the Paragraph 8 - Rules on the denomination exchange of forint banknotes and exchanging forint banknotes- of the MNB Decree No. 38/2020 (X. 21.) of the Governor of the National Bank of Hungary on amending MNB Decree No. 19/2019 (V. 13.) on the processing and distribution of banknotes, and on technical tasks relating to the protection of banknotes against counterfeiting and according to the Paragraph 5 - Rules on the denomination exchange of forint coins and exchanging forint coins – of the MNB Decree No. 39/2020 (X. 21.) of the Governor of the National Bank of Hungary on amending MNB Decree No. 20/2019 (V. 13.) on the processing and distribution of coins, and on technical tasks relating to the protection of coins against counterfeiting:

The Bank shall perform the denomination exchange of forint banknotes up to 50 forint banknotes or up to 100 forint coins on any one occasion, while up to 50 forint coins shall be exchanged on one occasion in the framework of a transaction referred to as denomination exchange of forint coins.

The Bank make the denomination exchange of forint banknotes subject to the existence of a payment account kept with the Bank. According to the Article 22 of the Decree No. 19/2019 (V. 13.) of the Governor of the MNB, the Bank charges the following fee for the denomination exchange of forint banknotes:

- exchanging banknote(s) to banknote(s): 3% of the face value of the forint banknotes to be paid out to the customer,
- exchanging banknote(s) to coins: 10% of the face value of the forint coins to be paid out to the customer.
- exchanging coins to banknote(s): 3% of the face value of the forint banknotes to be paid out to the customer.
- exchanging coins to coin(s): 10% of the face value of the forint coins to be paid out to the customer.

The Bank is not obliged to carry out the forint banknotes and coins in the framework of denomination exchange whose authenticity or face value cannot be clearly determined, furthermore those coin(s) either which deliberately is damaged (e.g. cut in halves, punched, lathed). The Bank shall check the authenticity of not clearly authenticated banknotes and coins and deliver or send the banknotes and coins, considered to be suspicious, to the National Bank of Hungary.

B. Replacement of forint banknotes and coins which are difficult to recognize or damaged

According to the Paragraph 16 – Issuing operations - of Act CXXXIX of 2013 on the National Bank of Hungary:

In the course of payment transactions, the Bank has no obligation to accept damaged banknotes and coins or banknotes and coins which are difficult to identify. The NBH shall exchange - as defined by law - damaged banknotes and coins or banknotes and coins which are difficult to identify for legal tender free of charge at face value.

The Bank shall accept an incomplete or otherwise damaged (unfit for circulation) forint banknote and coins for denomination exchange in accordance with the relevant NBH decree in force.

The Bank shall take over from its customers the incomplete forint banknotes whose surface is clearly below 50% for free, and to forward it to the NBH for collection and destruction.

The Bank is not obliged to exchange or accept for cash payment the forint banknotes and coins whose authenticity or face value cannot be clearly determined, furthermore those coin(s) either which deliberately is damaged (e.g. cut in halves, punched, lathed). The Bank shall check the authenticity of not clearly authenticated banknotes and coins and deliver or send the banknotes and coins, considered to be suspicious, to the National Bank of Hungary.

C. Replacement of banknotes and coins are being withdrawn from circulation and which no longer function as legal tender

According to the Paragraph 16 – Issuing operations - of Act CXXXIX of 2013 on the National Bank of Hungary:

The Bank shall exchange banknotes and coins withdrawn from circulation by the NBH and which no longer function as legal tender, within three years from the date of withdrawal in respect of banknotes, and within one year in respect of coins, for legal tender of Hungary for free. The free conversion obligation only applies to the exchange for the same denomination as the denomination of the banknote involved.

The Bank doesn't make this activity subject to the existence of a payment account kept with the Bank or use the service it provides, it is completed for both individuals and corporates.

In case the exchange is required by the Client in other denomination as the denomination of the banknote or coin involved, the Bank applies the fees for the denomination exchange indicated in section A for the Client.

After the 3 or 1 year deadline the Bank is not obliged to exchange banknotes and coins withdrawn from circulation and which no longer function as legal tender. The NBH – as defined by law - shall exchange them at its retail cash office located at 1 Kiss Ernő street, district V, Budapest within twenty years from the date of withdrawal in respect of banknotes, and within five years in respect of coins, for legal tender of Hungary, at face value for free.

The Bank accepts forint banknotes and coins withdrawn from circulation by the National Bank of Hungary which no longer function as legal tender for cash payments from its Customers who have payment account at the Bank within three years from the date of withdrawal in respect of banknotes, and within one year in respect of coins.



The Bank accepts forint banknotes and forint coins that are being withdrawn from circulation by the National Bank of Hungary for the purpose of cash payments and denomination exchange until the deadline for withdrawal.

Without prior notification up to 50 forint banknotes may be exchanged or up to 100 forint coins may be issued on any one occasion, in the framework the denomination exchange of forint banknotes, while up to 50 forint coins shall be exchanged on one occasion in the framework of a transaction referred to as denomination exchange of forint coins.

In case the volume of the intended exchange transaction exceeds the above mentioned limits, please send the request with the exact demand for specific denominations one business day before the transaction up to 13:00 to one of the following options:

- Telefax: +36 1 412 6099
- Personally in the Bank's Cash Centre (1138 Budapest, 80 Váci street)
- Customers holding Payment Account at the Bank can make the notification also via the Bank's Customer Service.

The Bank provides the services indicated in this Announcement in its Cash Centre (1138 Budapest, 80 Váci street)

We draw the attention of our Customers that the Bank performs customer identification in all cases specified above.

In case the total amount of the exchange banknotes and coins exceed HUF 4.5 million - four million five hundred thousand forints, (In accordance with Art 3 – Customer due diligence obligations of the Act LIII of 2017 on the Prevention and Combating Money Laundering and Terrorist Financing) both Clients holding payment account at the Bank and occasional Clients as well are required to complete a beneficial ownership declaration.

This Announcement is part of the General List of Conditions/Pricing and Cut-off Times Schedule.

The mentioned measures shall enter into force on 23 August, 2021.

Announcement: 21 June, 2021