Amended and consolidated

BUSINESS TERMS AND CONDITIONS

for bank accounts managed by the Magyar Nemzeti Bank
and for settlements of forint and foreign exchange transactions

Effective from 23 March 2020

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1. DEFINITIONS

For the purposes of the rules set forth in these business terms and conditions, in their annexes and appendices (hereinafter collectively: Business terms and conditions) the following definitions apply:

Instant credit transfer:	a transfer pursuant to Article 31 d) of MNB Decree 35/2017. (XII.14.) on payment transactions (hereinafter: MNB Decree on payment transactions).
Instant account transfer:	an order by a client directly involved in instant settlement to move funds between his bank account managed by the MNB and the collective account in VIBER.
Instant credit:	a loan extended to a client not classified as a public sector organization subject to the prohibition on monetary financing specified by Act CXXXIX of 2013 on the Magyar Nemzeti Bank (hereinafter: MNB Act), for the performance of instant credit transfers outside of VIBER operation hours, when the balance of the instant payment account drops below the value specified by the client, defined by the Business Terms and Conditions of the Interbank Clearing System (hereinafter: ICS BTR), against the instant credit line, and maturing at the start of the first VIBER operation period after the disbursement.
Instant credit line:	a non-revolving credit line specified by the MNB on VIBER business days for clients not classified as public sector organizations subject to the prohibition on monetary financing specified by the MNB Act, for the performance of instant credit transfers – with securities blocked in favour of the MNB as beneficiary as collateral securities – and available outside VIBER operation hours, under the cover of corporate receivables pledged to the MNB.
Instant credit account:	a technical account managed by the MNB in HUF to record instant credits.
Instant supplementary credit:	a loan extended by the MNB to a payment transaction service provider client that does not operate in the form of a credit institution – with securities blocked in favour of the MNB as beneficiary as collateral securities – to repay instant credits, in an amount that corresponds to the sum of the instant credit and the loan fees valid at the time of VIBER opening after disbursement.

Instant account:	a technical account managed by the MNB in HUF for a client who has an instant payment account, to record the balance of the instant payment account managed in the GIRO Zrt. system, as calculated at 24.00, i.e. 00.00 (hereinafter: midnight balance). In the case of the Treasury's Unifed Account (KESZ), the instant account is a sub-account of KESZ.
Instant reserve account:	a technical account managed by the MNB in HUF for credit institution clients that are obliged to keep reserves, pursuant to MNB Decree 10/2005. (VI.11.) on the calculation, creation and deposit of minimum reserves in the central bank, to record the amounts separated from the midnight balances of instant payment accounts for the minimum reserves, according to the client's statement specified in the Decree on reserves.
Instant payment account:	records kept by GIRO Zrt. on behalf of MNB as a party involved in instant payments, on orders performed to credit or debit of participants of instant settlements.
Bank account:	forint or foreign currency payment account managed by the MNB for the client in order to execute payment transactions and instant internal transfers of the client.
Resident credit institution:	credit institution established in Hungary, foreign credit institution established in the European Economic Area (hereinafter: EEA) with a branch incorporated in Hungary by way of its Hungarian branch and the Hungarian branch of a foreign credit institution established in a country outside of the EEA.
Investment firm:	any enterprise established or incorporated as a branch in the EEA that is performing investment service activity under Directive 2014/65/EU of the European Parliament and Council.
ICS:	the interbank clearing system (hereinafter: ICS) operated by GIRO Zrt. with three types of clearing: night clearing (hereinafter IG1), the intraday multiple cycle clearing and the instant clearing. The basic conditions, rules and general terms and conditions of the operation are included in the ICS BTR.
Available ICS funds:	information on the funds provided by the MNB to GIRO Zrt. on a daily basis on coverage available for the execution of payment orders submitted by the ICS participant client for ICS night clearing, consisting of the total of the bank account balance and the resident credit institution client's IG1 credit line. The negative value of funds represents coverage up to the amount correspondent with the value of funds. The value of the funds is positive if the MNB has specified the ICS minimum funds due to lack of sufficient funds on the account of the ICS participant in question.

ICS minimum funds:	information on a value with a positive sign (indicating insufficient coverage) specified by the MNB to GIRO Zrt. for night clearing; up to this amount, the client has limited right of disposal, in the ICS its debit transfers may only be executed up to an amount of credit entries exceeding the minimum funds.
ICS position matrix:	the ICS position matrix contains direct ICS participants' forint debts and claims against one another in the night clearing method and in the early morning cycle of the intraday multiple settlements on the given settlement day.
DVP transaction:	Delivery versus Payment, the actual "delivery" after entering into a deal, i.e. the credit of the security occurs only after the fulfilment of the payment obligation.
Other client:	any client, other than payment service providers, investment firms and market infrastructures, who are not direct participants either of ICS or of VIBER.
Technical settlement account:	an account not qualifying as a bank account (not qualifying as a payment account) with a limited function managed by the MNB for the market infrastructure for the purpose of the settlement of clearing in a payment or securities settlement and payment system
Value date (T day):	a reference date used by the MNB for the calculation of interest on the funds debited from or credited to the bank account.
Collateralised credit:	means any credit collateralised by securities held on account at KELER Zrt. for clients defined according to the Business terms and conditions of the forint and foreign exchange transactions of the central bank (hereinafter: Business terms and conditions of Central Bank transactions) pledged in favour of the MNB as collateral security (hereinafter: blocking in the favour of the MNB), or corporate receivables pledged in favour of the MNB as collateral security.
Enforcement of collateral:	means the direct legal enforcement of the claim against collateral on a stock of securities and the enforcement of mortgage against outstanding corporate receivables pledged as collateral for Collateralised loans that were cancelled by the MNB for failure to comply with the Minimum account balance requirement and the non-payment of the debts originating from instant supplementary loans on maturity.
Cover check:	comparison of the amount specified in the payment and settlement order and the instant internal transfer with the actual balance of the bank account as increased by the credit line, if any.

Payment order:	any instruction by a payer or payee to its payment service provider requesting the execution of a payment transaction, including official transfer orders and remittance summons.
Insolvency proceedings:	bankruptcy proceeding, liquidation proceeding and appointment of a temporary administrator in accordance with the Act XLIX of 1991 on bankruptcy proceedings and liquidation proceedings, and the supervisory measure according to Article 185(2) subsection c)cf) and Article 48(5) and Article 55(2) of the Act CCXXXVII of 2013 on credit institutions and financial enterprises (hereinafter: CFA), the supervisory measure according to Article 128(1), Article 164(1) subsections h) and n) and the freezing of outgoing payments according to Article 135(1) of Act CXXXVIII of 2007 on investment firms and commodity dealers and on the regulations governing their activities, and the supervisory measure according to Article 400(1) subpoints h) and j) and Article 400(4) of Act CXX of 2001 on the Capital Market (hereinafter: CMA), if the authority acting has marked its proceeding as an insolvency proceeding.
Payment transaction:	the carrying out of a payment order initiated by a payer, payee, person entitled to initiate an official transfer order or issuer of a remittance summon by any means of payment, irrespective of the legal relationship between the payer and the payee.
Continuous Linked Settlement (CLS):	the settlement service provided by CLS Bank International enabling the settlement of payment instructions in respect of interbank foreign exchange transactions.
Collective account:	a technical account managed by the MNB in HUF, separated for a specific purpose, to record all the amounts provided by the client with instant payment account as a cover for instant transfers.
Credit Line Register:	an IT solution operated by GIRO Zrt. on behalf of the MNB to record the instant credit line defined by the MNB and the instant credits disbursed from that.
IG1 credit line:	a credit line portfolio separated from the intraday credit line for the night settlement, based on the client's statement.
Central bank transactions:	money market transactions with the MNB under the Central bank operations Terms and conditions.
KELER:	KELER Központi Értéktár Zrt.
Forced overdraft:	a technical transaction accounted for on the client's bank account, registered by the MNB for the client (without its request) with penalty conditions, in an amount equivalent to the debit balance (i.e. such accounted for with default

	interest) resulting from overdue and unpaid debts towards the MNB.
Forward payment order:	an order to be executed under the Business terms and conditions on a specified date (date of execution) subsequent to submission.
Cash transactions:	transactions defined in the Business Terms and Conditions relating to transactions carried out in cash for clients holding a forint account at the Magyar Nemzeti Bank and cash processing organisations (hereinafter: Large Cash Transactions Terms and Conditions).
Settlement order:	**except for instant settlements,** an order submitted by the market infrastructure in VIBER in order to settle the debts and claims of participants of the payment and securities settlement and payment system operated by the market infrastructure, including the refund of any sum erroneously transferred to the technical settlement account.
Minimum balance:	the provision of funds to cover the receivables of the MNB in connection with its basic tasks specified in the MNB Act, by limiting the client's right of disposal over the funds, in a way that up to the value defined on the basis of coverage revaluation according to the principles defined in Annex 1 of the Business Terms and Conditions, the funds are not controlled by the client; a technical condition incorporated into the MNB's client account management system and VIBER .
Intraday credit line:	a revolving credit line. From the portfolio deposited at KELER in favour of the MNB as beneficiary, those securities can be used as collateral, which have not been used by the resident credit institution client to cover collateralised credits, as well as corporate receivables pledged to the MNB.
Payment service provider:	resident credit institutions, payment institutions and electronic money institutions established in the EEA, the institution operating the Postal Clearing Centre, and Magyar Államkincstár (*Hungarian State Treasury*) (hereinafter: Treasury).
Market infrastructure:	any organization established in the EEA or incorporated as a branch subject to supervision or oversight within the EEA that is engaged in operating payment systems under CFA or in the activities of operating a clearing system in accordance with CMA, or in central counterparty or central securities depository activities.

PVP transaction:	payment versus payment, a simultaneous execution of bank-to-bank and customer payment orders of two VIBER participants against each other.
SWIFT:	a financial mediation system operated by the Society for Worldwide Interbank Financial Telecommunication Scrl.
Date of execution:	the debit day specified in the MNB Decree on execution of payment transactions.
Client:	a legal entity who is party to a bank account agreement concluded with the MNB and any person to whom the MNB provides payment services.
Client's client:	Clients of the Hungarian State Treasury
VIBER:	the Real-Time Gross Settlement System operated by the MNB.
VIBER message:	A message between cooperating parties in VIBER sent in connection with payment, settlement, performance or information in a manner and with a content regulated in Appendix 1 of the Business terms and conditions.

2. GENERAL PROVISIONS

2.1. Scope of the Business terms and conditions

These Business terms and conditions regulate the general contract terms and conditions between the Magyar Nemzeti Bank (hereinafter: MNB) and the client governing transactions, other than cash transactions, connected to bank accounts managed by the MNB.

The MNB shall perform its activities within the framework of the effective statutory regulations, thus in particular, pursuant to the provisions of Act V of 2013 on the Civil Code of Hungary (hereinafter: Civil Code), the MNB Act, the Act XXIII of 2003 on settlement finality in payment and securities settlement systems (hereinafter: SFA), the Act LXXXV of 2009 on the pursuit of the business of payment services (hereinafter: Payment Act), the MNB Decree 34/2009. (XII. 28.) on the material, technical, security and business continuity requirements for operation of the payment system, the MNB Decree 35/2009. (XII. 28.) on the requirements for the general terms and conditions and regulations of organizations providing clearing services for payment systems, and MNB Decree on execution of payment transactions, the Act LIII of 2017 on the prevention of money laundering and terrorism financing (hereinafter: MLA) and its implementing decrees, and the regulations of the European Union.

The contents of the relationship established between the MNB and the client (hereinafter collectively: parties) shall in principle be specified by the bank account agreement. In respect of issues which are not regulated in the bank account agreement, the provisions of the present Business terms and conditions shall be authoritative, moreover, in the scope defined in them, the Large Cash Transactions Terms and Conditions and the Central bank operations terms and conditions shall also apply.

The parties may depart from the Business terms and conditions subject to mutual consent in writing.

2.2. Fundamental rights and obligations of the parties

The parties shall, in order to ensure continuous performance of the bank account agreement, and in respect of direct VIBER participant to ensure the smooth and proper operation of VIBER, mutually cooperate and, accordingly, report to each other – without delay – any and all facts and circumstances relevant to exercising their rights and discharging their obligations, as well as any changes therein. To this end, the client shall notify the MNB without delay of any material change in its legal status (such as, in particular, if an insolvency proceeding is initiated against it, if removed from any official or other similar register, or if its operating licence will be revoked). Responsibility for failure to discharge this obligation lies with the client.

The VIBER participants, and those clients who submit their orders via SWIFT, are obliged to provide the MNB with access to the enquiry on their SWIFT Self-Attestations (SWIFT SA)

It is the responsibility of VIBER participants to monitor the execution and queuing of payment orders, lack of funds, the refusal of such orders, as well as system messages and SWIFT messages relating to VIBER (under Appendix 1 of the Business terms and conditions), furthermore, where electronic connection exists, it is the responsibility of the client to monitor the messages specified in Appendix 2 of the Business terms and conditions (confirmation of orders received, erroneous and pending foreign exchange orders returned) during hours of operation specified in Annexes 2 and 2/a, and to make any comments in a fashion to allow the MNB to remedy the problem in question.

The client shall pay the fees, costs and interests charged in accordance with the Conditions[2] without delay, at the time when due.

[2] Opening the Notice

In the course of implementing the provisions of the SFA, the MNB and the client with direct or indirect access to VIBER shall proceed in accordance with the Business terms and conditions.

2.3. Client identification procedure

The MNB shall perform the identification of the client in accordance with the MLA, in all cases set forth by law, particularly when entering into a business relationship.

During the life of the business relationship, the client shall notify the MNB of any and all changes in the information provided for the purposes of identification (including the data of persons vested with right of disposition over the bank account), or such related to the beneficial owner's identity within five business days of becoming aware thereof.

2.4. Complaint procedures

The client shall submit any comments and complaints it may have relating to system operations, VIBER credit services outside the hours of operation (related to instant settlement) – except for instant settlement -, to the handling of payment orders, as well as business hours, etc., to the MNB Directorate Banking Operations in writing. The client shall provide any additional information that the MNB has requested for investigating the complaint by the deadline set by the MNB. The time limit for the investigation of a complaint is the 7th business day from the time of receipt of the complaint, or any additional information that has been requested, that may be extended by the MNB on one occasion, however, the aggregate time limit may not exceed 15 business days. The MNB shall notify the client affected concerning the outcome of the complaint procedure in writing.

If the client is in disagreement with the outcome of complaint procedure, and in case of further legal dispute, the court of law shall decide. All domestic claims against the MNB shall only be filed at the seat of MNB.

2.5. Liability rules

The MNB shall not be liable for damages suffered by the client as a result of

a) unavoidable reasons beyond the control of the MNB, including, in particular, force majeure (natural disaster, riot, terrorist attack and war), domestic or foreign statutory regulations or regulatory provisions issued by Hungarian or foreign authorities, refusal or late issue of necessary official licences or approvals,
b) delayed submission or lack of other documents necessary for the execution of the order,
c) the inaccurate, incomplete or late provision of data, including in particular the data necessary for a flawless execution of a payment order, pertaining to the client's sphere of interest,
d) the unauthorised use of the client's means used for sending electronic messages by a person other than the MNB,
e) any breakdown in the communications channel.

If, in order to execute the payment order, an intermediary was engaged by the MNB, and the intermediary's liability is restricted or excluded by statutory regulations, a regulatory decision, contract or business terms and conditions, the liability of the MNB shall correspond to that of the intermediary.

In addition to the foregoing, the relevant parts of international private law and international uniform rules and contracts shall apply to the MNB's liability for intermediaries.

The MNB's liability shall exclusively cover direct damage to property suffered by the client; accordingly, with the exception of the cases of wilfulness and gross negligence, the MNB shall not be liable for any damage to property that has no direct causal link to its conduct, either for any non-pecuniary damage, any obligation to compensate a third party in a legal relationship with the client for any damage or any loss of material advantage.

The client shall, in order to prevent, control or mitigate damage, take all the necessary actions without delay. The MNB shall not be liable for any damage related to the client's failure to prevent, control or mitigate damage.

The client shall, without delay, notify the MNB of any damage suffered by it. The MNB shall not be liable for any damage that may arise from any delay in such notification.

The MNB shall not be liable for any failure or delay in the fulfilment of its notification or execution obligation if such failure is due to statutory regulations or an authority action.

The compensation undisputed by the MNB shall fall due on the 5th business day from the date of the decision on the related claim.

In addition to this point, the specific rules governing liability set out in Sections A) and B) shall apply in relation to account management service and the MNB's payment and performance related to instant settlement .

Those provisions of the Business terms and conditions which limit or exclude the MNB's liability do not apply if such exclusion or limitation of liability is void by force of statutory regulations prohibiting such alteration. The validity of the Business terms and conditions shall not otherwise be affected.

2.6. Data protection

Provided that they affect the client, the MNB shall treat any and all information on transactions under the bank account agreement as banking secrecy without any limitation in time and – with the exception of cases defined in a separate law – disclose such information to third parties only with the client's express written request or authorization.

The MNB shall manage the personal data obtained within the scope of the Business Terms and Conditions in accordance with the provisions of Appendix 3.

2.7. Interests, commissions, costs, fees and special fees

In the Conditions posted on its website in Hungarian and English, the MNB shall inform the client regarding the fees, special fees, commissions, postal and other costs relating to bank account management and the method of settling these and the interests. In case of any discrepancy, the Hungarian version shall govern. The MNB reviews fees, special fees, commissions and other costs at least once per year, and maintains the right to unilaterally amend the Conditions with a view to enforcing the principle of cost recovery. In addition, the MNB is entitled to introduce new fees with respect to the provision of the service specified in the Business terms and conditions in the case of a change in ensuring the operating conditions and in the case of the introduction of new services. If so amended, the MNB shall issue the modified Conditions posted on its website in Hungarian and English at least 15 days before such amendments enter into force and shall inform its clients simultaneously in a letter sent by email.

2.8. Entry into force, amendment and publication of the Business terms and conditions

The MNB shall be entitled to unilaterally amend the Business terms and conditions. Where any provision of the Business terms and conditions fails to conform to the provisions of any law, authority or court decision, the MNB shall amend the Business terms and conditions so as to bring it into conformity with the principles and goals contained therein and the law, authority or court decision in question.

In order to allow the clients to make any comments they may have, the MNB shall inform the clients in writing of any proposed amendment of the Business terms and conditions at least 5 days in advance, or minimum 10 and maximum 15 days in advance in connection with comprehensive or extensive amendments, excluding the appendices of the Business terms and conditions, and Annexes 1, 3/a, 4/b, 4/c. 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 which the MNB is entitled to amend unilaterally without such a deadline for comments. The MNB shall be entitled to reduce the above-specified time limits for making comments, or may forego sending the notice if the procedure jeopardises the safe and efficient

functioning of the payment system. The proposal will be made available in Hungarian and in a track changes format on the website[3]. The MNB shall notify the clients concerning the final version of the amendment 15 calendar days prior to its effective date, or 30 calendar days prior to its effective date if the amendment concerns orders submitted electronically, other than by way of the SWIFT network, and the MNB shall publish the Business terms and conditions – with restricted access to Annexes 4/a., 4/b. and 4/c. for VIBER contact persons only – on its website in Hungarian and English. In case of any discrepancy, the Hungarian version shall govern.

[3] http://www.mnb.hu/en/payments/mnb-as-a-bank

A) CONDITIONS FOR ACCOUNT MANAGEMENT SERVICES

3. ACCOUNT MANAGEMENT

3.1. Bank account agreement

On the basis of the bank account agreement and in accordance with the Business terms and conditions, the MNB shall open and maintain:

a) forint bank accounts for the purpose of providing settlement services for payment service providers, investment firms and non-resident organisations operating a payment system under foreign law having direct participation in forint payment systems; and forint bank accounts or (under an agreement for a technical settlement account) a forint technical settlement account for the same purpose for market infrastructures as per their decision;

b) forint bank accounts for other clients with a view to providing payment services deducible from basic central bank tasks;

c) foreign exchange bank accounts for resident organisations, foreign organizations, foreign central banks defined by the relevant legislation.

Unless otherwise provided in the Business terms and conditions as well as the annexes and appendices thereto, the provisions applicable to bank accounts and payment orders shall mutatis mutandis govern technical settlement accounts and settlement orders related to them and any other accounts, excluding technical accounts related to instant settlements and managed by the MNB.

The bank account may, subject to the instruction of the client, also be opened as a current account.

Pursuant to the bank account agreement and the Business terms and conditions, the MNB shall manage and record the client's funds, execute standard payment orders by debiting or crediting the account of the client, and inform the client of any and all credit and debit entries and balances on the bank account.

In case of direct VIBER participants, in addition to the conditions laid down by law, a bank account agreement may be concluded on condition that the direct VIBER participant shall subscribe to the 'szamvez' and the 'viber' channels of the GIROHáló GIROFile service, unless otherwise agreed with the MNB.

3.2. Disposition over the bank account

Upon conclusion of a bank account agreement, the client shall announce and indicate the signature of the persons authorised to dispose over the bank account on the MNB's standard signature specimen form.

Two persons authorised by the client may dispose over the bank account jointly.

For the purpose of notifying the MNB of new signatories who are authorized to dispose over the bank account, a new signature specimen form shall be submitted in any case, noting that if the previous signature specimen form is not yet full, its content in force shall be carried over to the new signature specimen form, while the previous signature specimen form concerned has to be repealed.

The client may determine which of the announced signatories are authorised to sign jointly with each other. The MNB shall not accept notifications concerning any other restrictions (e.g. signatures restricted to specific orders or to limits). The MNB shall accept dispositions exclusively as they are laid down in the signature specimen form by the client.

The client is required to notify any change in the authority for disposing over the bank account. Pending such notification made in writing, the MNB shall effect payments according to the previous status.

In the case of disposal over the bank account submitted on the standard form together with a cover letter, the cover letter containing the instruction related to the registration, withdrawal or modification shall be signed by the employee of the account-holder authorised to sign for the company

Disposition over the bank account

- disposal over bank accounts may be exercised:by means of payment order submitted directly to the payment or settlement system by direct participants of the payment system,
- in case of other clients:
    - electronically (via remote data transmission networks) by way of the means defined in Annex 3 and in Appendix 2,
    - by SWIFT message,
    - on a form submitted directly to the MNB in person, by encrypted fax or by mail.

In exceptional and especially justified cases, the MNB may suspend the submission of paper-based payment orders with personal delivery, with a notice sent to the clients one working day earlier. In that case, the MNB will accept the payment orders in the form of an attachment to a message sent to the bmfviber@mnb.hu e-mail address - with a preliminary notice on the phone -, provided the order is signed on behalf of the client by two persons holding right of disposal over the account, applying classified electronic signatures of high security or backed by a classified certification. Payment orders submitted this way shall be governed by the rules of submission defined in annexes 2 and 2/a regarding paper-based transfers.

In addition to the general liability rules set out in point 2.5., the provisions set forth in this point shall also apply to payment orders.

The parties shall consider electronically submitted payment orders as if they were submitted and approved by the authorised signatories of the bank account. The client shall be responsible for ensuring that only authorised persons have access to the facilities used for electronic disposition.

The MNB shall not be liable for any damages arising from the execution of a payment order duly submitted using a cash-substitute payment instrument if the client has breached the security and reporting rules related to the use of the instrument.

Any damages arising from the execution of a payment order submitted using a cash-substitute payment instrument that is no longer in the possession of the client, has been stolen or unlawfully used, shall, irrespective of the amount of the losses, be borne by the client until it reports the incident to the MNB, whether the cash-substitute payment instrument was used through an IT or a telecommunication device or without a personal security feature. After the incident has been reported, the MNB shall, without delay, proceed to suspend the right to dispose over the bank account using the cash-substitute payment instrument concerned while notifying the client simultaneously. The MNB shall be liable for any and all damages incurred to the client as a result of the disposition over the bank account using the cash-substitute payment instrument concerned after the suspension.

The client shall be entitled to the correction of an order either unauthorised or authorised but erroneously executed by the MNB within a peremptory term of 13 months following the execution of the order. The client shall be obliged to prove that either it did not authorise the order concerned with the application for correction or the operation had not been recorded properly. The MNB shall be obliged to prove that execution was hindered by a technical hitch or some malfunction. Until proven to the contrary, the use of cash-substitute payment instrument shall be considered by the parties as properly authorized by the client.

As the parties consider the amount of payment transactions as reasonably expected in a given situation without any restriction, no refund can be requested referring exclusively to the size of the amount. Nor can refund be requested arguing that the payer was not aware of the amount of the payment transaction at the date of the authorisation.

3.3. General rules of bank account management

The MNB shall not accept letters of authorisation for collection and direct debit orders, secondary account identification notices or payment requests, and shall not execute direct debits against the bank account.

The MNB – subject to charging a correspondence fee to the sender party – forwards the information note, initiated by the payment service provider of the payer to the beneficiary, related to the collection based on a letter of authorisation, in accordance with Section 39 (7) of the MNB Decree on Payments, when the beneficiary account is an account held with the MNB.

The MNB shall execute the remittance summons and official transfer orders submitted to it against all bank accounts kept for the client liable for the relevant payment, except the technical settlement account , provided that the content and the submission form of the payment orders satisfy all the conditions set out in the Business terms and conditions and laid down by the law.

Unless otherwise provided for by the Business terms and conditions, the MNB shall accept messages from the client by mail, encrypted fax or SWIFT message. The MNB shall dispatch and receive files through the GIROHáló GIROFile service only if executed by signature certified by GIROLock, in the form specified in Appendix 2.

The client shall be entitled to declare, signing the statement form specified in Annex 10 officially, that the persons notified as the authorised signatories in the event of giving orders related to the bank account, are entitled to jointly represent the account holder in the same way, in connection with applying for VIBER monitor service and entitlements, with the notification of VIBER contact persons, and also with O/N collateralised credits.

The MNB's liability for defective execution shall, within the framework of the general liability rules set forth in point 2.5., be limited to the extent of the amount of the payment transaction and the fees and costs charged by the MNB, with the proviso that the amount of the payment transaction shall be credited to the client's bank account back value dated.

The MNB shall not bear any losses that may arise from exchange rate changes that may materialise during the execution of a foreign exchange order.

According to Article 6:397 of the Civil Code, the MNB shall be entitled to statutory lien (collateral security) on the client's funds held on the bank account in security of the MNB's claims arising in connection with bank account management (including the corrections of any crediting errors made by the MNB). In accordance with this, the MNB shall be entitled to deduct from the balance of the bank account the amount of its claims arising from bank account management (including the corrections of any crediting or debiting errors made by the MNB). The lien shall be considered established without being registered in the collateral register.

In addition to the above, according to Article of 160(1) of the MNB Act the MNB shall be entitled to a statutory lien (collateral security) on the resident credit institution client's funds held on the bank account in security of the MNB's claims (e.g. principal, interest, commission, fee, special fee, cost) arising in connection with the performance of its tasks specified in Article 4(1)-(7) of the MNB Act. In accordance with this, the MNB shall be entitled to deduct from the balance of the bank account the amount of its claims arising in connection with the performance of its tasks specified in Article 4(1)-(7) of the MNB Act.

If the MNB enters into an agreement with the client, the MNB shall supply data and prepare a report in connection with the bank account management, with the information content and in the form stipulated in the agreement, for the fee specified in the Notice.

At their request, the MNB provides an opportunity for its clients to test their own systems – for the performance of tasks agreed minimum 3 days prior to the start of such planned test – charging a fee specified in the Notice.

3.3.1. Rules relating to direct participants

Apart from the settlement of cash transactions and central bank transactions, the MNB provides settlement and performance services within the framework of account management exclusively to direct participants, with the exception of other clients.

Accordingly:

- direct participant clients shall be entitled to submit their payment orders exclusively directly to the payment system, therefore they shall not be entitled to transmit any payment order to the MNB in its capacity as the account keeper bank, outside the payment system, the MNB shall refuse such payment orders submitted directly;
- exclusively the payment transactions received through the payment system shall be credited to the bank accounts of direct participant clients, therefore the MNB, in its capacity as the account keeper bank, shall refuse any payment transaction delivered outside the payment system directly to the MNB to be credited to the client's bank account.

Participation may not be established and implemented through the MNB, in its capacity as a direct participant of the payment systems.

Postal payment services are not provided by the MNB to direct participant clients.

3.3.2. Rules relating to other clients

The MNB shall execute payments between other clients in way of account transfer. In any other cases, as long as the other client has not specified another payment system or if the account keeper of the payee does not accept any payment in the specified payment system, the ICS shall execute the other client's domestic payment orders payable in forint via intraday multiple clearing.

The MNB credits the payments received under instant settlement at the times specified in Annexes 2 and 2/a of the Business Terms and Conditions, on VIBER business days to the bank accounts of other clients.

The MNB shall provide the payment services referred to in Chapter II(1) and Chapter III(3) of the General Terms And Conditions for Payment Services of Magyar Posta to other clients only.

3.3.3. Requirements relating to payment orders

Payment orders shall clearly specify the subject of the transaction and all data required by the relevant statutory regulations and administrative requirements, or which are necessary for the execution of the payment order. The MNB shall execute any official transfer order that has been submitted directly if the submitter is other than an institution belonging to the scope of the Treasury and if able to supply sufficient proof of entitlement for submission.

The MNB shall return the payment order without executing it if the payment order was issued deficient and the deficiencies are not remedied by the deadline specified by the MNB. The MNB refuses to make an FX transfer order that violates restrictive measures affecting assets or financial affairs as stipulated in a decision by United Nations Security Council, the EU or the Office of Foreign Assets Control of the US Department of the Treasury (OFAC). The client shall inform the MNB on the fact that it has repeatedly submitted the orders rejected, without execution, by the MNB and the MNB's correspondent banks, simultaneously with the repeated submission of the order, in writing, sent to e-devizalevelezes@mnb.hu or IPD@mnb.hu .

3.3.4. Execution of the payment orders

The MNB shall execute payment orders up to the amount of the balance of the bank account. In addition to the bank account balance, the MNB shall automatically execute payment orders made by clients with pre-authorised credit line up to the applicable credit line.

The following payment orders are irrevocable:

- payment orders to be executed in ICS that have already been forwarded to ICS on behalf of other clients,
- payment orders to be executed by bank account transfer for other clients that have already been booked,
- payment orders to be executed via SWIFT, but outside VIBER, for which SWIFT messages have already been sent, and
- payment orders to be executed via VIBER, which have already been settled in VIBER.

If the MNB begins to provide the funds necessary for executing a client's FX transfer order, the client shall reimburse the MNB for the costs incurred due to the cancellation of the order (including an exchange loss).

The date of execution of erroneous payment orders submitted by the client may not be altered subsequently.

Payments to beneficiary shall be made through ICS night clearing in case of executing direct debit orders, remittance summons and official transfer orders.

3.3.5. Setting the business days, the submission deadlines

The MNB shall provide payment services on the VIBER business days listed in the schedule for settlement set forth in point11.3.1. Procedures of submitting and executing of the different kinds of payment orders applicable on these days are provided in the Guide constituting Annex 2 to the Business terms and conditions, whereas the procedures for submitting and executing on Saturdays qualifying as business days are contained in the Guide constituting Annex 2/a of the Business terms and Conditions.

3.3.6. Order of execution

Of the central bank receivables, uncollateralised forint credits and bank charges (interest and fees and commissions charged according to the Conditions) are booked at the beginning of the due business day, provided that sufficient funds are available.
The MNB shall be entitled to debit the client's bank account without the client's specific instruction or consent for recovering any claims (principal, interest, commission, fee, special fee, cost) it may have in connection with:

bank account management (including the corrections of any crediting or debiting errors made by the MNB),
cash transactions,
the MNB's monetary policy activity.

The MNB shall rank the central bank receivables (for monetary purposes) listed under Article 18 of the MNB Act before the payment orders (including official transfer orders and remittance summons) to be debited to the client's bank account. The MNB's other receivables (receivables for non-monetary purposes, other than those mentioned under Article 18 of the MNB Act) are ranked following official transfer orders and remittance summons, but before other payment orders.

3.3.7. Delay in the execution, forced overdraft

The MNB charges default interest on central bank receivables, which are still in the queue at the end of the day until their fulfilment. The default interest rate shall be twice the prevailing central bank base rate.

In contingency situations under points 4.1. and 4.3. of Annex 4/a, if ICS position matrix I or the position matrix related to the early morning cycle[4] of the ICS intraday multiple clearing is settled in VIBER or if ICS intraday multiple clearing, an instant internal transfers settled without preliminary covercheck and, as a result, the VIBER participant is still unfunded at the end of the VIBER hours of operation, because, for lack of blocked securities collateral or sufficient pledged corporate receivables, no overnight credit in a sufficient amount can be automatically awarded, the MNB registers forced overdraft for the VIBER participant in order that net ICS night and intraday multiple clearing and queued official transfer orders and remittance summons – the latter two to be executed with priority under the applicable legislation – can be executed. On the amount of the forced overdraft, default interest equivalent to the double of the prevailing central bank base rate shall be charged for the period of registration.

The MNB may register forced overdraft in an amount equivalent to the debit balance resulting from overdue and unpaid debts towards the MNB on the client's bank account, connected to the fulfilment of repayment of the collateralised credits as well.

The interest rate charged on forced overdraft, calculated for the period of registration, shall be the double of the prevailing central bank base rate.

3.3.8. Items booked in the MNB's client account management system

The MNB shall carry out the following payment-related operations on the client's bank account:

a.) settlement of debit and credit amounts of ICS position matrix I of ICS participants produced by ICS night clearing;
b.) settlement of the debit and credit amounts of the ICS position matrix generated within the scope of the early morning cycle of ICS participants' multiple clearing;[5]
c.) booking the sum of daily VIBER turnover of VIBER participants;
d.) crediting payment transactions sent to MNB on behalf of other clients in ICS or VIBER;
e.) debiting transfer orders initiated by other clients into ICS or VIBER;
f.) booking of postal payment service for other clients
g.) booking of payments resulting from transactions with the MNB and settlements (e.g. settlement of costs of closing procedures, collateralised credits, expiration of deposits and the forint leg of foreign exchange payment transactions executed not on value date, etc.);
h.) booking of cash transactions affecting the client's bank account, conducted outside of VIBER hours of operation;
i.) debiting of deposit placements, if the deal cannot be booked in VIBER due to its closing
j.) booking of instant internal transfers against collective account.

3.3.9. Electronic submission of payment orders by other clients

The other client shall be entitled to dispose of its bank account electronically, other than by way of the SWIFT network, if the electronic data exchange has been tested in cooperation with the MNB, and if the procedure in respect of the certificates used in the communication has been completed in the way as specified in Annex 3 of the Business terms and conditions.

The MNB shall consider payment orders submitted electronically, other than by way of the SWIFT network, valid if submitted in a file form executed with double electronic signatures.

[4] Following the start of the service of GIRO Zrt.

[5] Following the start of the service of GIRO Zrt.

The other client shall record payment orders in the format determined by the standard described in Appendix 2 of the Business terms and conditions.

The MNB shall inform the other client of the result of the processing of messages sent by way of electronic means – and of items received on paper or from other systems (e.g. VIBER) as well – also in a statement sent by e-mail message following the closure of the accounting day.

In the event of a failure of the electronic correspondence system or a line fault, the party which perceives the irregularity shall immediately and shortly (e.g. through telephone, fax, SWIFT or the Internet) inform the other party. Until the defect is remedied, data transmission shall be performed in a paper-based manner, through 'viber' channel of the GIROHáló GIROFile service, or by delivering USB data storage device or CD, or via encrypted fax.

The MNB shall be liable for the accuracy and completeness of the data in relation to the part between the time of receipt of data and the time of initiating the return of the processed data.

As for the deadline of submitting electronic orders by the other client, the provisions set forth in Annexes 2 and 2/a shall apply.

The MNB shall forward the result of the accounting day in several steps, depending on the course of processing. The data contain the processed and erroneous items in separate files.

3.3.10. Cash desk services

The general terms and conditions for transactions for the depositing or withdrawal of banknotes and coins to and from the client's bank account initiated by the client are laid down in the Large Cash Transactions Terms and Conditions.

3.4. Rules relating to ICS

3.4.1. Settlement of ICS night clearing

The MNB shall inform GIRO Zrt. regarding the available ICS funds every day upon closing.

The available ICS funds shall be the total amount of

a) the daily closing balance of the bank account and

b) the IG1 credit line in case of a client with pre-authorised IG1 credit line.

Factors deducting the available ICS funds:

a) there are insufficient funds for the execution of official transfer orders and remittance summons waiting for priority execution;

b) the amount of matured central bank receivables;

c) forced overdraft;

d) the amount of a credit provided based on lack of funds for a sanction imposed in relation to minimum reserve requirements;

e) minimum balance resulting from the revaluation of collateral;

f) sums blocked for the execution of foreign exchange transfer orders on the day(s) prior to the day of execution.

If the available ICS funds are smaller than the amount of the factors deducting the available ICS funds, the MNB shall specify the ICS minimum funds to GIRO Zrt., which means that as long as the bank account has insufficient funds, in

the ICS night clearing mode the client is allowed to receive exclusively credit entries, its debit transfers may only be executed after the incoming credit entries have exceeded the ICS minimum limit.

The MNB shall, after the bank account has been closed, notify the client who is a direct participant of the ICS of the amount of available ICS funds, the factors reducing the limit and the intraday credit line (hereinafter: ICS notification) according to Annex 1.

The MNB shall quantify the values specified in the ICS notification by the re-valued central bank collateralised credits (including accumulated interest) and by revaluation of the blocked securities portfolio and the pledged corporate receivables (values are shown at the new, updated exchange rate). The MNB shall dispatch the ICS notification to the client through 'szamvez' channel of the GIROHáló GIROFile service and in the way specified in Appendix 2. If the MNB sets a minimum balance for the client in the notification, the MNB shall indicate the need for the blocking of additional collateral by sending a letter through 'viber' channel of the GIROHáló GIROFile service to the client as well.

3.4.2. Account management services related to instant settlement

The rules of the Business Terms and Conditions shall be used for the MNB's account management services related to the ICS instant settlement with the differences specified in this chapter.

3.4.2.1. Opening and management of collective account

For the preliminary deposit of the funds required to cover the continuous and real-time settlement and execution of instant transfers, the MNB opens and manages a technical collective account. The collective account shall be used for this purpose only.

The balance of the collective account is the joint property of the direct participants of the instant settlement, and the individual participants have disposition over it up to the balance of their instant payment account. Any payment to credit or debit the collective account is possible only with instant internal transfer orders submitted during VIBER operation hours with the purpose of debiting or crediting the client account, and performed by the MNB during VIBER operation hours.

The client shall have a disposition over the share due to him from the balance of the collective account only through GIRO Zrt., based on the authorisation according to the provisions of the ICS Business Terms and Conditions and the contract signed with GIRO Zrt. on payment transactions.

With the opening of the collective account, and without any special request, the MNB provides the client with an instant credit line, and an instant loan disbursed from it would increase the balance of the instant payment account, and the entry made at the start of the first VIBER operation hour following the disbursement will increase the balance of the collective account.

Prior to the start of the instant settlement, the MNB will automatically open the collective account, and from that point of time, the client directly involved in instant settlement may carry out payment transactions to debit or credit the collective account, without making any other legal statements.

3.4.2.2. Instant payment account, payment

The MNB, as a party involved in the direct settlement, keeps payment accounts qualified as technical accounts for the parties directly involved in the settlement, through GIRO Zrt., on which GIRO Zrt. carries out payments in parallel with the settlement, on behalf of the MNB, according to the ICS Business Terms and Conditions, and records the transactions.

The balance of the instant payment account is increased or decreased by the instant internal transfers debiting or crediting the client's bank account, instant loan disbursements from the instant credit line, and the amounts of transactions crediting or debiting the instant payment account, according to the ICS Business Terms and Conditions.

The detailed rules of the operations allowed on the instant payment account are defined in the ICS Business Terms and Conditions.

In the instant settlement, transactions according to the ICS Business Terms and Conditions are performed up to the current positive balance of the client's instant payment account, or the internal transfers to the account managed by the MNB, from the collective account, through GIRO, in VIBER, within the frames of the ICS Business Terms and Conditions.

The lowest balance of the instant payment account is zero.

The MNB informs the client on the operations carried out on the instant payment account via GIRO Zrt., with final reports specified in the ICS Business Terms and Conditions.

Within the frames of complaint management, the MNB provides the clients with information on the final reports through GIRO Zrt.

In the case of a credit institution client obliged to create minimum reserves, the balance of the instant payment account qualifies as the sub-account balance mentioned in Article 5 (1) c) of the decree on reserves.

3.4.2.2.1. Instant account and instant reserve account, and their interest rates

For a client directly involved in instant settlement, the MNB keeps a technical type of instant account to record the midnight balance of the instant payment account. Based on the data made available by GIRO Zrt., the MNB books the amount of the midnight balance on each VIBER business day, with value dates.

For clients obliged to create reserves, based on the statement according to the decree on reserves, the MNB keeps a technical type of instant reserve account to record the amounts separated from the midnight balance of the midnight payment account, to satisfy the minimum reserves. The MNB books the amount of minimum reserves separated by the credit institution from the midnight balance of the instant payment account, on VIBER business days, with value dates, on the client's instant reserve account. The value-dated balance of the instant reserve account is identical with the amount of the minimum reserves booked on the basis of the statement by the credit institution client obliged to keep reserves, according to the decree on reserves, while the balance of the instant account of the credit institution client obliged to keep reserves is identical with the difference between the midnight balance of the instant payment account and the booked minimum reserves.

On the balance of the instant account and the instant reserve account, the MNB pays the interest specified in the Announcement, and settles it accordingly. For the management of the collective account, the MNB charges the instant account management fee specified in the Announcement.

The format and content requirements of the minimum reserves are included in Annex 13 of the Business Terms and Conditions, and the format of submitting the statement in a way other than SWIFT is included in Annex 14.

In the course of the instant settlement, the MNB as performing party shall be responsible for the damage caused to the client – excluding indirect, consequentional and property damages – together with GIRO Zrt., regarding the performance of transactions settled by GIRO Zrt., the settlement of which is the responsibility of GIRO Zrt. according to the ICS Business Terms and Conditions.

3.4.3. Insolvency proceeding in respect of ICS clearing

If insolvency proceedings have been initiated against a client with direct participation in ICS, for the settlement of the client's payment orders that are accepted in accordance with the BKR Business Rules and are, according to the information provided by GIRO Zrt., duly cleared in ICS, the MNB as settlement agent may use the intraday credit line provided for the client.

Subsequent to the launch of the insolvency proceeding, the MNB shall, at the request of GIRO Zrt., set the credit line constituting the direct participant's ICS credit line to '+unlimited'.

3.5. Central bank forint deposit and credit operations

3.5.1. Deposit placement

Clients eligible to place a deposit are entitled to place a deposit under the standing facility in accordance with the prevailing **Central bank forint and FX market operations business terms and conditions**, and under the preferential deposit facility in accordance with the prevailing **Notice on the terms and conditions of the preferential deposit facility**. Deposit placement requests queued due to lack of funds will be refused at the time of VIBER closing; O/N deposit requests arriving subsequently will be refused after the standing deposit facility. Deposit placement requests under the standing deposit facility shall be submitted one business day in advance at most.

The description of the corresponding MT298 SMT550 type SWIFT message is contained in Annexes 9 and 12.

3.5.2. Intraday credit line

Client with pre-authorised credit line shall mean a client who is eligible for collateralised loans under the standing collateralised lending facility under the Central bank operations terms and conditions as a Money market counterparty. From the portfolio comprising securities specified in the Central bank operations terms and conditions deposited at KELER and blocked in favour of the MNB as beneficiary as collateral security, and the corporate receivables pledged to the MNB on the basis of the mortgage contract between the client and the MNB, only such part can be used as collateral for the credit line that has not been used by the client to cover collateralised credits. The rules of collateral evaluation and the calculation of the amount of the credit line are defined in the MNB information material titled Information on the central bank collateral evaluation system, forming Annex 1 to the Business Terms and Conditions. In this material, the terms „securities portfolio blocked in favour of the MNB", „securities used as collateral", „securities portfolio used as collateral", and „securities pledged in favour of the MNB as collateral security", „assets that can eb accepted as collateral", „securities" all include the coporate receivables pledged to the MNB, too.

The intraday credit line may be used:

- by direct VIBER participants for the conduct of payment orders during VIBER hours of operation,and
- for the execution of settlement transactions and
- intant internal transfers, and
- for the conduct of ICS night clearing,to the extent specified in the IG1 statement, and
- for the performance of payment orders and central bank operations booked in the MNB client account management system.

The client entitled to create a credit line may initiate an increase and a decrease in the credit line either in the period specified in annexes 2 and 2/a by modifying the quantity of securities on hold at KELER pursuant to the General Terms and Conditions of KELER, or, in relation to the corporate receivables pledged to the MNB, with a data supply defined in the Business terms and conditions of Central Bank Transactions.

If an insolvency proceeding has been initiated against a client with pre-authorised credit line, the MNB, after receipt of the notification thereof and in accordance with these Business terms and conditions, shall not comply with the request made by the client with pre-authorised credit line to change the credit line.

3.5.2.1. Creation of intraday credit line

With the management of the collective account, the MNB provides the client with an instant credit line, without any special request.

The instant credit line shall be governed by the Business Terms and Conditions with the exceptions defined in this chapter.

The MNB provides the client with the instant credit line for the instant credit line fee defined in the Announcement.

For a Money Market Client satisfying the Business Terms and Conditions of central bank operations, the MNB provides the credit line in an amount that equals the intraday credit line following the collateral revaluation, decreased by the IG1 credit line and the maximum fee of the loan (which is the loan charge for 7 days, calculated with maximum usage of the credit line).

For a non-credit institution payment service provider, the MNB keeps an instant credit line available in an amount that is identical with the value of the securities portfolio consisting of securities defined in the Business Terms and Conditions of central bank operations, blocked at KELER in favour of the MNB as beneficiary, as collateral security, calculated according to the Information that forms Annex 1 of the Business Terms and Conditions, and reduced by the maximum fee of borrowing. For this blocked securities portfolio, the provisions of point 3.5.2 and 12.3 of the Business Terms and Conditions shall be applied as relevant.

In order to maintain the stability of the financial mediating system, and weighing the rate of building system risks, the MNB is entitled to unilaterally reduce the amount of the instant credit line, of which it shall inform the client within an hour.

The amount of the instant credit line provided by the MNB is recorded by GIRO Zrt. in the Credit Line Registration, on the commission of the MNB.

The calculation of the maximum fee of the instant credit line and borrowing is included in Annex 1 of the Business Terms and Conditions.

3.5.2.2. IG1 credit line

Clients with pre-authorized credit lines may specify what portion of their intraday credit line they wish to separate for the ICS night settlement.

The IG1 credit line statement is made with the MT298 SMT560 message type, which is described in Annexes 13 and 14, together with the rules of submitting.

3.5.3. Collateralised credits

Without the specific request of the client with pre-authorised credit line, the MNB shall provide overnight credit at the end of the business day up to the debit balance of the bank account collateralised by the separated securities portfolio or the pledged corporate receivables.

Furthermore, at the specific request of the client with pre-authorised credit line, the MNB shall also provide overnight credit up to the extent of the collateral value of the separated securities portfolio and the pledged corporate receivables ("Standing collateralised lending facility'). In the case of a debit balance on the bank account, the credit needs to be applied for in an amount exceeding the amount of the debit balance. Collateralised credits may be applied for after a prior notice is given by telephone, by way of an MT298 SMT500 SWIFT message, or in a letter drawn up according to Annex 5, encrypted fax or through the 'viber' channel of the GIROHáló GIROFile service. When the loan is in fact made available the client is notified by means of an MT581 message (Appendix 1, chapter 12), or if the credit application is refused the client is notified, including the reasons, in the same manner as the application had been submitted.

The description of MT298 SMT500 type SWIFT messages is available in Annex 9.

Longer-term collateralised credits shall be provided under the Central bank operations terms and conditions.

Collateral valuation of collateralised credits shall take place in accordance with the Central bank operations terms and conditions and the loan is provided after the VIBER hours of operation according to Annexes 2 and 2/a.

3.5.4. Instant credit

The MNB may initiate the disbursement of an instant credit against the instant credit line available outside the VIBER hours of operation according to the provisions of the ICS Business Terms and Conditions and the clearing contract signed by the Client with GIRO Zrt., through GIRO Zrt., and this is recorded on the commission of the MNB by GIRO Zrt. in the Credit Line Registration. The amount of the instant credit increases the balance of the instant payment account at the time of the disbursement. The MNB will add the disbursed amount of the instant loan to the balance of the collective account on the following VIBER business day, at the start of the VIBER operation hours, and then the disbursed amount is booked on the instant credit account, too.

3.5.4.1. Lending to Money Market customer

The instant loan disbursed to the client outside the VIBER hours of operation shall be booked on the instant credit amount before the VIBER opening, in the client account management system of the MNB. In the case of a loan before midnight, the entry to the collective account is made in the MNB client account management system, and in the case of a loan after midnight, it is booked in VIBER.

The repayment of the instant loan and the fee calculated for the term of the loan and published in the Announcement shall be due on the VIBER business day following the disbursement, at the start of the VIBER operation hours, and it may be paid at the start of the operation hours from the positive bank account balance, or if it fails, from the intraday credit line. If the Money Market Client does not repay the intraday credit line usage, the MNB extends a collaterised O/N loan to the client.

3.5.4.2. Lending to non-credit institution payment service provider client

The instant loans of non-credit institution payment service provider clients are booked according to point 3.5.4.1, with the following difference:

The repayment of the instant credit and the payment of the fees calculated for the term of the loan shall be due on the VIBER business day following disbursement, at the start of the VIBER operation hours, and it is carried out in a way that the MNB extends an instant supplementary loan in an amount identical with the sum of these receivables, to the non-credit institution payment service provider client, immediately on the start of the VIBER operation hours. The MNB debits the debts originating from the instant supplementary credit, or a certain part of those, first after the closing of VIBER, following disbursement to the client account. At the end of each VIBER business day, after the closing of VIBER, the MNB attempts to debit the client's bank account with the receivables originating from the instant supplementary loan. The interest on the instant supplementary loan is capitalised every day, after each VIBER opening. The maturity of the instant supplementary loan is rolled over as long as there is no shortage of funds compared to the collateral value of the securities portfolio blocked in favour of the MNB, but at the most until the 5th working day following the disbursement of the instant supplementary credit. In the case of insufficient coverage, or on the 5th working day following the disbursement of the instant supplementary loan, the credit matures, and at noon the MNB starts to enforce its rights related to the collateral, and debits the client's bank account to settle the client's instant supplementary credit debt. Instant supplementary credits disbursed on different days are recorded separately by the MNB. If there are multiple instant supplementary credits disbursed on multiple consecutive days, the loans are repaid in the order of extending them, based on the FIFO principle (First in, first out). When the oldest instant supplementary credit matures, all the instant supplementary credits become due. Instant supplementary loans may not be repaid by the clients in any other way not described here.

3.5.5. Collateral revaluation, minimum balance, enforcement of collateral

The collateral value of the blocked securities portfolio, and the portfolio of collateralised central bank credits are revalued at the end of each day according to Annex 1. The MNB shall notify the VIBER participant of the end-of-day

revaluation of the portfolio of blocked securities via a SWIFT MT581 message. Such a message shall contain the change in the intraday credit line and the value of the credit line after the revaluation. The MNB reserves the right to re-evaluate the securities portfolio pledged as collateral for collateralised credits anytime during the day (13.4. Extraordinary revaluation).

If, after revaluation, collateral is found to be insufficient for the portfolio of central bank collateralised credits calculated in accordance with Annex 1, the MNB shall automatically define a minimum balance in accordance with the rules set in Annex 1.

A minimum balance may be eliminated by blocking additional collateral. Until this is done, the MNB requires a positive balance on the bank account up to the amount of the minimum balance, thus ensuring collateral. If the client has more liquidity than the minimum balance, the client's payment items can be executed from any available account balance above the minimum balance.

If the client fails to eliminate a minimum balance set on the previous day by 12:00 a.m. on the next business day and also fails to fulfil the minimum account balance requirement defined in Annex 1, as well as the forced overdraft claims granted for the purpose of repayment of collateralised credits, the MNB shall be entitled to terminate all its credit transactions with the client in question with immediate effect, and may also enforce the securities portfolio blocked, and enforce the mortgage on the pledged corporate receivables. In performing the enforcement of collateral the MNB shall act in accordance with the Central bank operations terms and conditions.

The rules specified in this point and in annex 1 shall be applied for the corporate receivables pledged to the MNB, on condition that supplementary coverage may be provided with securities only.

3.5.6. Procedure in the event of removal from the list of eligible counterparties

When a client is removed from the list of eligible counterparties under the Central bank operations terms and conditions, this client shall be entitled to access MNB transactions on the last day of being an eligible counterparty. Changing the intraday credit line may be requested up to the point of time specified in Annexes 2 and 2/a. The client may request overnight credit either under the automated debit system or under specific request in the framework of the credit line still existing in this time. No additional changes in the credit line are allowed to be made, for it will be terminated (set to zero, or, if appropriate, a minimum balance will be set) before the ICS notification is sent, and no intraday credit will be available the following business day. The deadline for repayment of an overnight credit obtained on the last day of being an eligible counterparty is 12:00 hours on the next business day. If at this time the credit is not repaid (due to insufficient funds on the client's bank account), enforcement of collateral is initiated.

3.6. Procedural rules for foreign exchange payment transactions

The MNB shall maintain foreign exchange accounts for resident organisations, international institutions, central banks and payment service providers specified in the relevant legislation. With the exception of the Treasury, the MNB shall not perform foreign exchange payment orders, and shall not maintain foreign exchange accounts for direct participant clients.

The MNB shall perform the following foreign exchange account transactions for the client to the credit or debit of bank account:

a) foreign exchange payment orders by order or in favour of the Treasury, customer of the Treasury and other clients,

b) correction of incorrect entries to the bank account due to mistakes for which the MNB is liable.

In the absence of a separate agreement the MNB shall not execute foreign currency to foreign currency or forint to foreign currency conversions for the client arising from payment orders or payment transactions. Accordingly, the MNB shall not execute any payment orders debited to bank accounts it maintains, if the currency of the

payment order is other than the currency of the bank account. Consequently, the MNB shall refuse the execution of any payment transaction addressed to the client if made out in a currency other than the currency in which the client's bank account is denominated.

3.6.1. Payment transactions to the credit of the bank accounts maintained by the MNB

In the absence of a notice of payment transaction made out to the client, if the credit entry is recorded only in the statement of the MNB's bank account held abroad, the MNB shall not credit the sum of the transaction to the client's bank account.

The MNB shall not execute Payment transactions made in favour of the client, with a value date prior to the day of issue.

Based on a notice of payment transaction made out to the client, the MNB shall credit the bank account already prior to the actual collection of funds provided as coverage. If funds are not provided, the MNB shall restore the original state (i.e. debit the amount calculated at the exchange rate prevailing at the date of the crediting transaction and any interest on it to the beneficiary's bank account). If funds are received with a delay, payment transactions are adjusted in accordance with the date when these funds are received.

Fees of Crediting of incoming payments to customers are charged by the MNB on the basis of the charge bearer specified in the payment transaction. If the ordering party fails to pay the fee specified in the Notice within 15 days after the request is sent by the MNB, the beneficiary shall bear the amount of which the MNB is entitled to debit the beneficiary's bank account.

3.6.2. Payment orders to the debit of bank accounts maintained by the MNB

In the absence of the clients instructions thereof, the MNB shall be entitled to choose the method of executing and forwarding payment orders at its own discretion based on the data in the orders.

In connection with euro payment orders addressed to EEA[6] member states and submitted by a Client's client, the beneficiary's bank account number shall be indicated in the IBAN format along with the BIC of the destination account keeper, and in the absence of either the MNB shall refuse the payment order.

In connection with any transfer order to be executed via a payment service provider established in an EEA member state, in the currency of an EEA member state – submitted to the debit of accounts held with the MNB, based on the mandatory statutory provisions – , the MNB shall apply the 'shared' option for costs, specifically, it shall charge the fees and costs specified in the Conditions to the client. The MNB shall refuse any transfer order of the client if it is containing other than the 'shared' option for costs.

In the case of the transfer orders submitted to the debit of payment accounts held by the MNB not on the basis of mandatory statutory provisions, the MNB shall act in accordance with Section 36(2) of the Payments Act.

Unless otherwise instructed by the client, the MNB shall forward documents, drafts and other securities, banknotes and other valuables by insured mail at the cost and risk of the client.

The procedures of submitting and executing foreign exchange payment orders are specified in Annex 2 of the Business terms and conditions. The MNB shall execute payment orders up to the amount of funds available on the bank account on the date of the payment order. If there are insufficient funds, the order remains in a queue until the end of day of submission. The MNB keeps the payment order standing in a queue at the end of the day suspended, except for payment orders sent electronically, other than by way of the SWIFT network, which are refused at the end of the day. The MNB attempts to execute the item again on the subsequent business day at the time defined in the Guide; if this

[6] For the purposes of the provision under 3.6.2., the MNB considers Switzerland and Israel as an EEA member state.

fails, the MNB returns the payment order to the client at the end of the day (unless the client has withdrawn such in the meantime).

3.7. Notifying the client of bank account transactions

The MNB shall, on the day of the transactions, prepare a bank account statement of all the credit and debit entries booked on the bank account. For the client involved in the instant settlement, the MNB produces a statement on all the entries made on the instant account, the instant savings account and the instant credit accounts, for all the value days of the instant settlement, on the first business day following the value day, and presents it to the client as follows.

The MNB shall produce a statement furnishing it with an electronic signature with enhanced security features and a time stamp under Act CXXX of 2016 on the Code of Civil Procedure and send such statement via electronic channel set forth in Appendix 2 to the client with effect from the date specified in Annexes 2 and 2/a. If, due to a technical error, an electronic signature or a time stamp cannot be provided, the MNB shall send a certified paper-based statement of bank account to the client by post and a non-certified copy of the statement of bank account via electronic channel as set out in Appendix 2.

In the event there is a SWIFT data connection, at the client's request, the MNB shall provide the client information on the credit and debit entries booked on the bank accounts by sending a SWIFT MT950 bank account statement message and SWIFT messages in accordance with the prevailing standards.

By way of derogation from Article 6:392(2) of the Civil Code, the MNB will not establish the balance of the bank account once a year and does not communicate a balance on it, the MNB shall notify the client about balance changes exclusively through statements of bank account.

3.8. Termination of the bank account agreement

Unless otherwise regulated in the agreement concluded between the parties or stipulated in the Business terms and conditions, both the MNB and the client shall be equally entitled to terminate the bank account agreement with a 60-day notice period by written notification to the other party.

The Business terms and conditions shall remain applicable in the entire period from the effective date of termination until the complete closing of settlement.

In the event of termination, the parties shall settle all accounts.

Following settlement of debts and claims between the MNB and the client, the MNB shall pay the sum remaining that is due to the client on the first business day after the period of notice expires.

3.9. Technical settlement account

The MNB shall maintain a technical settlement account for the market infrastructure, at its request, exclusively for the purpose of the settlement by the MNB of the positions cleared in the payment or securities settlement systems related to the market infrastructure.

No payment order to credit or debit the technical settlement account is allowed to be submitted.

B) BUSINESS TERMS AND CONDITIONS FOR VIBER SERVICE

4. SYSTEM DESCRIPTION, GOALS AND PRINCIPLES

VIBER is a real time gross settlement system for the execution of domestic high-value forint payment orders managed by the MNB, where clearing and settlement takes place in a single step by debiting the bank account of one direct VIBER participant and simultaneously crediting that sum to the bank account of another direct VIBER participant; for both parties this means that the payment order has been finally and irrevocably executed.

In VIBER, the MNB (1054, Budapest V. Szabadság tér 8-9) functions as the settlement agent, and the system operates under Hungarian law. VIBER is as a payment system designated under the SFA.

The VIBER participants authorize the MNB as the system operator to be the participant specified in Article 3(1) point c) of the SFA and to perform the duties of this participant according to the SFA, the MNB accepts this mandate.

Legislation and agreements relevant in terms of functioning of VIBER are the followings:

- MNB Act;
- CFA;
- SFA;
- Payment Act;
- Decree 35/2009. (XII. 28.) MNB on the requirements for the general terms and conditions and regulations of organizations providing clearing services for payment systems;
- Decree 34/2009 (XII.28.) MNB on the material, technical, security and business continuity requirements for operation of the payment system;
- MNB Decree on execution of payment transactions;
- Interbank agreement for the execution of payment orders on behalf of customers in the Real Time Gross Settlement System (VIBER).

5. COMPONENTS OF SYSTEM ARCHITECTURE

- **SWIFT FINCopy** network: a communication system between the cooperating parties in order to settle the payment orders of participants.
- **Participants' CBT** (Computer Based Terminal). The CBTs of VIBER participants serve as an interface via the SWIFT network between VIBER participants, through which they send VIBER messages into VIBER. Under a separate agreement, the VIBER monitor is optionally usable for monitoring and amending payment orders.
- **CAS** (Central Accounting System): the central accounting system of VIBER.
- **Central CBT - CIM** (Central Interface Module): an interface between CAS and the SWIFT network.

6. PARTIES COOPERATING IN VIBER

1. The **MNB** operates VIBER and performs the tasks of the participant specified under Article 3(1) point c) of the SFA, and, as a central bank, regulates and supervises the payment system. As regards VIBER, the MNB functions as the clearing and the settlement agent as well.

2. The **market infrastructure**; which uses VIBER in order to financially settle orders for payments and securities transactions sent to its systems .

    a. **KELER** operates the central securities settlement system and depository, enabling DVP-based securities settlement and the blocking of securities serving as collateral for the intraday credit line.

    b. **GIRO** Zrt. operates the ICS, the intraday multiple clearing and the morning processing of the night clearing, as well as the performance of instant internal transfers of which are settled in VIBER,

3. The following may be **VIBER participants**:

    1. resident credit institutions and other payment service providers established in the EEA;
    2. investment firms with registered seats in the EEA;
    3. market infrastructure operated by a party with registered seat in the EEA ;
    4. non-resident organisations operating a payment system under foreign law;
    5. CLS Bank International;
    6. the MNB.

7. CONDITIONS FOR VIBER PARTICIPATION AND ADMISSION

7.1. Technical conditions for direct VIBER participation:

a) submission of (activity) operating licence of operation, if it was issued by an entity other than the MNB acting within its supervisory competence,
b) **SWIFT membership** with own, activated BIC[7] (Business Identifier Code),
c) **membership** in the HUF **Closed User Group** formed by SWIFT for VIBER purposes[8]
d) successful **testing** to certify that the applicant is technically able to send and receive VIBER messages (upon successful completion of the test, the MNB shall make out a Technical Certificate within 5 business days to the applicant),
e) establishing a live RMA[9] connection with the MNB (MANEHU2A, MANEHUHH, MANEHUHB),
f) a **forint bank account** or a technical settlement account kept **at the MNB**
g) submission of a written application for participation in VIBER and, with the exception of market infrastructures, for registration in the Routing table as a direct VIBER participant,
h) opening a securities account with KELER, if in connection with the VIBER participation and other services rendered by the MNB it is necessary to pledge securities held on KELER securities account.

7.2. Other conditions for direct VIBER participation:

Non-resident applicants shall submit a written declaration made by the head of their legal department, in the form provided by the MNB as the operator of VIBER, stating that the requirements set out under Article 10 points ea) to ec) of the SFA are satisfied in full. Concerning the manner and content of the declaration confirming full compliance with the requirement set out under Article 10 point ed) of the SFA, the MNB shall, in accordance with the legislative intent, make the relevant decision on a case-by-case basis.

The applicant or direct VIBER participant shall self-attest to confirm its full compliance with SWIFT's mandatory customer security controls[10]. The MNB will enter into consultation with the direct VIBER participant not complying with these mandatory security controls, and will specify the final deadline for meeting the conditions for such participant. The MNB reserves the right to verify the authenticity of information contained in the Self-Attestation.

When an indirect VIBER participant becomes a direct one, the regulations governing new participation shall apply.

7.3. Conditions for indirect VIBER participation:

a) written notice from the correspondent under point 9.2 of the applicant;
b) Non-resident applicants shall submit a written declaration made by the head of their legal department, in the form provided by the MNB as the operator of VIBER, stating that the requirements set out under Article 10 points ea) to ec) of the SFA are satisfied in full. Concerning the manner and content of the declaration confirming full compliance with the requirements set out under Article 10point ed) of the SFA, the MNB shall, in accordance with the legislative intent, make the relevant decision on a case-by-case basis.

7.4. Other rules related to VIBER participation

[7] Existing BIC is used for VIBER purposes.
[8] Application for membership in HUF Closed User Group must be submitted to SWIFT, and if SWIFT supports it, the MNB approves it.
[9] *Relationship Management Application:* Bilateral electronic authorization between partners to transfer authenticated messages
[10] Customer Security Controls Framework 1.0 or other document replacing it.

1. VIBER participation is either direct or indirect. An indirect VIBER participant (respondent) may only participate via a direct VIBER participant (correspondent). If a market infrastructure also participates as a direct VIBER participant, it shall meet the conditions set forth in points 7.1. and 7.2.

2. The MNB shall approve or reject the application for participation within 10 business days following that the fulfilment of the conditions are certified. The MNB shall be entitled , if the above conditions are fully met, to reject the application only if, in its opinion, the admission of the applicant to VIBER represents such an extra risk that jeopardises the reliable and efficient operation of the payment system. The MNB shall notify the applicant of its decision without delay. The applicant may lodge a written complaint against the rejection within 10 calendar days.

3. The MNB shall be entitled to conduct on-site inspection so as to verify compliance with the conditions for joining, and also for participation, at any time, of which the cooperating party must be informed in advance.

8. TERMINATION, CANCELLATION AND SUSPENSION OF VIBER PARTICIPATION

1. Termination of VIBER participation

   1.1. Direct VIBER participation shall terminate:

   a) upon the VIBER participant's dissolution without succession;

   b) if the technical conditions for VIBER participation referred to in point 7.1. subpoints a) to c) and f) are no longer satisfied;

   c) upon cancellation;

   d) upon a direct VIBER participant becoming an indirect VIBER participant.

   In the cases mentioned under subpoints a) and b), VIBER participation shall terminate at the end of the business day, when the MNB learns about the given ground for termination.

   1.2. Indirect VIBER participation shall terminate:

   a) upon the indirect VIBER participant's dissolution without succession,

   b) upon cancellation

   c) upon an indirect VIBER participant becoming a direct VIBER participant.

   In the cases mentioned under subpoints b) and c) the indirect VIBER participation shall terminate through the correspondent's notification, on the last business day of the following month.

2. The termination of the direct VIBER participation:

   VIBER participants may cancel their participation in writing, with a 3-week notice, effective as of the last business day of the following month. VIBER participation shall terminate, if cancelled by the VIBER participant, only if the participant has satisfied all its obligations existing against the cooperating parties.

   The MNB may cancel a VIBER participation in writing, with a 3-week notice, if the participant in question fails to comply with its obligations set out in the Business terms and conditions and its annexes despite being requested to do so in writing, or if the participant's VIBER participation represents such risk that jeopardises the reliable and efficient functioning of the payment system.

   In case of an insolvency proceeding initiated against the VIBER participant, and in case of if its authorisation for operation terminates, the MNB may cancel VIBER participation in writing with a 2 weeks' notice.

The MNB shall register the termination of VIBER participation in the Routing table.

VIBER participation cannot be suspended.

9. TYPES OF PARTICIPATION IN VIBER

1. 1. Direct VIBER participants:

   Clients that send and receive their payment and settlement orders using their own CBT.

2. Indirect VIBER participants:

   Respondents of direct VIBER participants. Payments between correspondents and their respondents are processed in the traditional way. Payments between indirect VIBER participants and direct VIBER participants (other than their correspondents) are processed through the bank account of the correspondent maintained by the MNB.

10. LINKAGE TO THE ACCOUNT MANAGEMENT AT THE CENTRAL BANK

10.1. Account management systems

a. Analytical client account management system

The MNB's client account management system keeps the bank accounts, technical settlement accounts, foreign exchange bank accounts, credit and deposit accounts and other accounts for direct VIBER participants, market infrastructures and other clients. During a specific period of the business day,[11] the MNB's client account management system manages the positions of direct VIBER participants, completes the end-of-day closing, with this closing balance also functioning as minimum reserves.

b. CAS

During VIBER hours of operation, CAS takes over the management of the forint bank accounts and technical settlement accounts of direct VIBER participants from the MNB's client account management system, therefore no items are booked on these accounts in the client account management system; the forint bank accounts of other clients are managed in the client account management system also during these hours of operation . If, in addition to the forint bank account, a payment order relates to another account as well, e.g. a credit, deposit, repo, etc. account, the item is automatically booked both on the CAS account kept in VIBER and on the (credit, deposit, repo, etc.) account kept in the client account management system.

Each direct VIBER participant has one bank account in CAS. CAS database contains the data (individual participant code (BIC), bank account number and name of the account holder) on each VIBER participant. The payment order submitted via SWIFT by VIBER participant is executed via VIBER in case of 'HUF' FINCopy Service Code in Field 103 of the header of the payment order.

[11] Application for membership in HUF Closed User Group must be submitted to SWIFT, and if SWIFT supports it, the MNB approves it.

11. THE PERIMETER OF VIBER, POWERS, TASKS, RIGHTS AND TECHNICAL OBLIGATION OF PARTICIPANTS

The SWIFT endpoint of the MNB constitutes the technical perimeter of VIBER, consequently, the SWIFT network, the SWIFT endpoints of direct VIBER participants and the internal banking systems of direct VIBER participants connecting to it, as well as the connection between the direct VIBER participants' account management systems and their correspondents and/or their other customers do not constitute parts of VIBER.

11.1. Responsibilities and rights of direct VIBER participants excluding the market infrastructures

11.1.1. Responsibilities of direct VIBER participants excluding the market infrastructures:

a) providing for SWIFT RMA authorisation (Authorisation to send & Authorisation to receive) between the MNB MANEHU2A BIC and the direct VIBER participant for the purpose of conveying MT298 messages,

b) notifying the start and the end of indirect VIBER participation,

c) when sending:

- accepting the payment order from their own customers,
- sending the payment order into the SWIFT system (both customer and bank-to-bank items),
- sending the payment order to SAP (SWIFT Access Point),
- ensuring sufficient funds for the execution of payment orders,
- notifying the MNB immediately regarding any technical or liquidity problems,

d) when receiving:

- ensuring the acceptance of incoming items from the SWIFT system without any delay,
- checking that the beneficiary of the incoming item is the receiving institution, or any of its customers,
- returning received erroneous items within the given day whenever possible (taking into account the deadline stated in the agreement between credit institutions),
- in the case of customer orders, crediting the amount of the payment transaction received on the payee's bank account without delay in accordance with MNB regulations,
- notifying the customer of the crediting based on the agreement between the receiving institution and the customer,
- in the event of extension of hours of operation, the acceptance of received payment transactions for settlement on the same day;

e) notifying the MNB of all events and changes in due time, that may have an impact on its own operation and on those of VIBER; in connection with this, notifying the MNB without delay if the number of the payment orders sent to VIBER daily is expected to increase by 1000 per day relative to the highest daily number a year earlier,

f) notifying the MNB and acting in accordance with the instruction of the MNB if, in the event that sending for the purpose of ICS intraday multiple clearing fails, it intends to submit payment orders to VIBER,

g) communicating the name, title, telephone number and e-mail address of the VIBER contact persons and deputy contact persons, and any subsequent changes therein, on the data disclosure form a model of which is contained in Annex 8 to the MNB Directorate Banking Operations immediately after learning thereof by mail, encrypted fax or through the GIROHáló GIROFile service,

h) termination, without delay, of its activity as a correspondent for its respondent indirect VIBER participant while notifying the MNB of such termination upon the respondent VIBER participant dissolution without succession,

i) refraining from the submission of payment orders to credit the technical settlement account,

j) informing the MNB in writing of the name, headquarters, business registration and tax numbers, as well as the contact of the person authorised to receive notice of initiation of insolvency proceedings along with his and his deputies' name, title, organization, mailing and e-mail addresses, telephone and fax numbers,

k) informing the MNB within 5 days of any changes that have occurred to the information mentioned in the previous subpoint j),

l) presentation of, any supporting documentation regarding the information mentioned in the two previous subpoints within 5 days at the MNB's request,

m) upon the termination of the VIBER Monitor user rights of the employee of the VIBER participant, immediately initiating at the MNB the cancellation of the user or changing the employee's password

11.1.2. Rights of direct VIBER participants, excluding the market infrastructures:

a) use of all functions of VIBER (initiation and modification of payment orders, using of the central queue management and gridlock resolution, the VIBER monitor, etc.),

b) providing correspondent banking services to indirect VIBER participants,

c) requesting extension of hours of operation according to the rules laid down in the Business terms and conditions,

d) lodging complaints in case of non-satisfactory services,

e) making comments within the prescribed time limit relating to amendments of the Business terms and conditions.

11.2. Tasks of SWIFT:

a) Sending VIBER messages from the sending VIBER participant's SAP to the receiving VIBER participant's SAP,

b) encryption and validation of the SWIFT messages,

c) archiving of the SWIFT messages for 4 months,

d) sending a 'copy' of the payment or settlement orders to the MNB's SWIFT CBT,

e) sending responses regarding settlements/non-settlements to the addressees.

11.3. Responsibilities and rights of the MNB

11.3.1. Responsibilities of the MNB:

a) Ensuring that VIBER is open, capable of receiving messages and operates properly during the hours of operation published;

b) receiving payment and settlement orders, queries, instructions and instant internal transfers from MNB's SWIFT CBT, and returning reply messages to central CBT after settlement (to be forwarded automatically to VIBER participants by SWIFT),

c) notification to direct VIBER participants of any extension of VIBER hours of operation,

d) sending information from CAS (statements) to VIBER participants,

e) endeavouring to ensure that VIBER operates and is available to the participants at least in 99.7 % of the hours of operation published,

f) increasing the capacity of VIBER in accordance with the increase in transaction volumes indicated by VIBER participants,

g) publishing on the MNB website the annual schedule for settlement listing VIBER business days for the current year, at least 20 business days prior to the first day of the year, on the basis of the legislation specifying business days immediately before and after holidays,

h) maintaining a VIBER contact list drawn up in order to facilitate coordination between direct VIBER participants, and making such list available at the MNB's website, and in the event that any change to data occurs, the sending of the list to those shown in the VIBER contact list through 'viber' channel of the GIROHáló GIROFile service or by e-mail.

i) The MNB as the system operator according to Article 3(1) point c) of the SFA

shall be obliged to keep contact with the court and the authority empowered to act, within the frame of which the MNB shall be obliged to

- register itself to receive the notice specified in Article 5(1) of the SFA on insolvency proceeding, at the competent insolvency court as well as at the authority empowered to act, and in course of the registry give the information of the person authorised with necessary powers and jurisdiction to receive such notification along with his and his deputies' name, title and contact information (department, mailing and e-mail address, telephone and fax numbers),
- notify the competent court and the authority empowered to act of the direct and indirect VIBER participants' name, headquarters, business registration and tax numbers and contact details mentioned in the preceding paragraph,
- inform the competent court and the authority empowered to act of any changes of the previously mentioned information regarding the direct and indirect VIBER participants within 15 days in writing;

shall be required to keep and preserve, for five years, a record from which the content and the date of receipt of the notification of the initiation of an insolvency proceeding from the competent court or authority empowered to act can clearly be extracted also at a later time.

11.3.2. Rights of the MNB:

a) amendment of VIBER functions, upon consulting with the participants,

b) amendment of the Business terms and conditions and its annexes in a manner that VIBER participants are invited to make comments,

c) to establish and charge a service fee,

d) to order an extension of VIBER hours of operation;

e) where a VIBER participant resident credit institution is undergoing an insolvency proceeding, the MNB, after receipt of the notification thereof and in accordance with the Business terms and conditions, shall not comply with the request made by the VIBER participant resident credit institution to change the credit line and shall stop

accepting payment and settlement orders from such VIBER participant. Furthermore, during the insolvency proceeding, in the case of prohibition of settlement and execution of payment orders submitted in favour of the direct participant, the MNB shall not fulfil these orders either,

f) in the event a VIBER participant still does not comply with the requirements set out in the Business terms and conditions and its annexes upon being requested to do so in writing, the MNB shall be entitled to terminate its VIBER participation according to point 8.2.

g) In order to comply with the regulations of the SFA, the MNB as the system operator according to Article 3(1) point c) of the SFA shall be entitled to request, record data and information referred to above under point 11.3.1 subpoint i) and, if deemed necessary, request documents supporting them during keeping contact with direct and indirect VIBER participants.

11.4. Responsibilities and rights of KELER as a system operator

11.4.1. Responsibilities of KELER as a system operator:

a) for the purpose of conveying MT298 messages ensuring the availability of SWIFT RMA authorisation (Authorisation to send & Authorisation to receive) between the MNB MANEHU2A BIC and KELER,

b) sending the payment order to SAP,

c) submitting the payment order to VIBER for the financial settlement of DVP-based securities transactions,

d) ensuring the acceptance of an incoming item from SWIFT without delay,

e) making sure that the amount received by it is not the result of an erroneous transfer,

f) managing the securities portfolio pledged in collateral for central bank credits, and blocked on behalf of the MNB, and notifying the MNB of any changes in the portfolio,

g) at the end of the day, reporting to the MNB on the securities portfolios of each partner blocked for the purpose of intraday credit line, broken down by securities,

h) proceeding as instructed by the MNB in case of enforcement of collateral,

i) notifying the MNB without delay of all events that may have an impact on the operation of VIBER,

j) at the request of the MNB, extending the hours of operation available for changing the credit line,

k) refraining from debiting the technical settlement account of another market infrastructure,

l) communicating the name, title, telephone number and e-mail address of VIBER contact persons and deputy contact persons and any subsequent changes therein, on the data disclosure form a model of which is contained in Annex 8 to the MNB Directorate Banking Operations immediately after learning thereof by mail, encrypted fax or through the GIROHáló GIROFile service,

m) informing the MNB regarding the name, headquarters, business registration and tax numbers, as well as the contact information of the person authorised with necessary powers and jurisdiction to receive notice of the initiation of an insolvency proceeding along with his and his deputies' name, title, department, mailing and e-mail addresses, telephone and fax numbers,

n) informing the MNB within 5 days of any changes that have occurred to the information mentioned in the previous subpoint m),

o) presenting within 5 days of the MNB's request, any supporting documentation regarding the information mentioned in the two previous subpoints.

11.4.2. Rights of KELER as a system operator:

a) submitting payment orders in the amount of DVP transactions, payable from the bank account of a VIBER participant according to KELER General Business Rules,

b) as a system operator requesting extension of hours of operation on account of any extension of credit institution repo hours of operation,

c) using all functions of VIBER (initiation and modification of payment orders, using of the central queue management and gridlock resolution, the VIBER monitor, etc.),

d) lodging complaints in case of non-satisfactory services,

e) making comments within the prescribed time limit relating to amendments of the Business terms and conditions.

11.5. Responsibilities and rights of GIRO Zrt.

11.5.1. Responsibilities of GIRO Zrt.:

a) for the purpose of conveying MT298 messages, ensuring the availability of SWIFT RMA authorisation (Authorisation to send & Authorisation to receive) between the MNB MANEHU2A BIC and GIRO Zrt.,

b) within the framework of intraday multiple clearing, in order to settle the payment obligations (contribution) and the credit claims of its clearing participants as determined in each settlement cycle under the ICS Business Regulations , submitting a settlement order to VIBER,

c) under the liquidity management defined by the ICS participant client involved in instant settlement, submits an instant internal transfer order to VIBER to credit and debit the client's bank account managed by the MNB,

d) delivering the settlement order to SAP,

e) ensuring the acceptance of the incoming item from SWIFT without delay,

f) making sure that the amount received by it is not the result of an erroneous transfer,

g) notifying the MNB if on the last business day of the reserve period, in the last cycle of the ICS intraday multiple clearing, any ICS member cannot draw down the contribution by the prescribed deadline,

h) notifying the MNB in a timely manner of any event that may affect its own operation and the operation of VIBER,

i) communicating the name, title, telephone number and e-mail address of VIBER contact persons and deputy contact persons and any subsequent changes therein, on the data disclosure form a model of which is contained in Annex 8 to the MNB Directorate Banking Operations immediately after learning thereof by mail, encrypted fax or through the GIROHáló GIROFile service,

j) informing the MNB regarding the name, headquarters, business registration and tax numbers, as well as the contact information of the person authorised with necessary powers and jurisdiction to receive notice of the initiation of an insolvency proceeding along with his and his deputies' name, title, department, mailing and e-mail addresses, telephone and fax numbers,

k) informing the MNB within 5 days of any changes that have occurred to the information mentioned in the previous subpoint i),

l) presents within 5 days of the MNB's request, any supporting documentation regarding the information mentioned in the two previous subpoints.

11.5.2. Rights of GIRO Zrt.:

a) requesting extension of hours of operation according to the rules laid down in the Business terms and conditions,

b) using all functions of VIBER (initiation and modification of payment orders, using of the central queue management and gridlock resolution, the VIBER monitor, etc.),

c) lodging complaints in case of non-satisfactory services,

d) making comments within the prescribed time limit relating to amendments of the Business terms and conditions.

11.6. Limits of technical responsibilities

a) Responsibilities of direct VIBER participants:

- preparing VIBER messages according to standards and dispatching them to VIBER via the SWIFT network,
- providing services according to VIBER regulations to the indirect participants for which it provides connection,
- receiving VIBER messages from SWIFT and processing them in its own system;

b) responsibilities of SWIFT:

- transmitting VIBER messages and statements between the VIBER participant SWIFT interface and the MNB SWIFT interface;

c) responsibilities of the MNB:

- receiving the payment settlement orders and instant internal transfer orders sent by the VIBER participants in a total number of not more than 20 000 per day and their continuous processing,
- acceptance and processing of queries and instructions from VIBER participants,
- generating replies and transmitting them to the SWIFT interface;

d) responsibilities of KELER:

- preparing DVP-based settlement orders according to standards and dispatching them to VIBER via the SWIFT network,
- receiving VIBER messages from SWIFT and processing them in its own systems,
- managing collateral for the intraday credit line and automatically notifying the MNB of any changes therein;

e) responsibilities of GIRO Zrt.:

- preparing standardised orders for settlement transactions submitted in the course of intraday multiple clearing and sending them to VIBER via the SWIFT network,
- receiving of VIBER messages submitted in the course of intraday multiple clearing and their processing in its own systems,
- standard production of instant internal transfer orders and sending them through SWIFT to VIBER,

- receiving VIBER messages generated during instant internal transfers from SWIFT and processing them in its own systems.

11.7. The scope of evidence mutually accepted by the cooperating parties

The cooperating parties shall accept in connection with VIBER operations the orders, notices, statements, letters executed by the authorised signatories, e-mail messages transmitted through the SWIFT network and other communication channels listed in Annex 4/a (via GIROHáló GIROFile service, on paper, by encrypted fax), as well as data recorded by the MNB's systems for the eventuality of any dispute arising during activities concerning clearing and settlement transactions.

12. LIABILITY RULES

This point shall complement the general liability rules specified in point 2.5.

The MNB shall not assume liability for any operational error of VIBER if settlement occurs during the hours of operation of the system on the day at issues.

If, due to the violation of the reporting and cooperation obligations set forth in point 11.1.1 subpoints e) and f) by a direct VIBER participant, VIBER malfunction occurs, the direct VIBER participant shall reimburse the damages paid by the MNB to the injured party under the Business terms and conditions to the MNB.

13. LIQUIDITY MANAGEMENT ISSUES IN CONNECTION WITH THE DIRECT VIBER PARTICIPANTS

13.1. Concept of liquidity

Liquidity of direct VIBER participants consists of two parts:

- positive balance available on the bank accounts of VIBER participants, furthermore
- the intraday credit line in case of clients with pre-authorised credit.

13.2. The intraday credit line

Of the securities portfolio of the VIBER participant with pre-authorised credit deposited at KELER with the MNB as beneficiary[12] and the corporate receivables pledged to the MNB, those securities can be used as collateral for the intraday credit line of which have not been used by the VIBER participant as collateral for overnight credits or credits with a maturity of over one day. The intraday credit line has no upper limit (apart from the available securities portfolio of the resident credit institution and the amount of corporate receivables pledged to the MNB). The amount of the intraday credit line is calculated in accordance with the provisions of the collateral management system published by the MNB[13]. The availability and the use of the credit line is free of charge during the day. During the business day (during the specific period of VIBER hours of operation defined in Annexes 2 and 2/a) the amount of the intraday credit line may be freely changed by changing the volume of securities pledged at KELER. The value of the

[12] Banks are entitled to pledge securities not only for the purpose of intraday credit line, but also for other (longer-term collateralised credits) purposes.

intraday credit line may be modified with the corporate receivables pledged to the MNB, following processing according to the Business terms and conditions of Central Bank transactions.

The MNB has an infinite credit line.

13.3. Modification of the intraday credit line

As to pledged corporate receivables, the client entitled to create an intraday credit line may modify the amount of the credit line with data supply specified in the Business terms and conditions of Central Bank transactions, while in the case of the securities portfolio blocked in favour of the MNB, the modification may be initiated during VIBER operation hours, or outside VIBER operation hours as follows:

Segregation of collateral:

- The client with pre-authorised credit shall indicate to KELER that it intends to segregate collateral: it shall submit an order through the KID system to segregate securities for the credit line with designation of the securities to be blocked.
- Following collateral valuation KELER shall segregate the designated securities on the securities account of the client and sends an MT298 SMT600 SWIFT message to the MNB indicating the increase in pledged securities at the face value shown in the currency of the security.
- The MNB shall define the acceptance value of the pledged security and increase the intraday credit line of the client with pre-authorised credit . The MNB shall notify the client of the increase by means of a SWIFT MT581 message, indicating the changes in the intraday credit line and the value of the set new credit line, and shall send confirmation to KELER with an MT298 SMT600 message.
- KELER shall notify the client regarding the segregation of the security.

Release of blocking:

- The decrease of the intraday credit line shall be requested also at KELER, using the KID system, designating the securities to be released.
- KELER shall send an MT298 SMT600 SWIFT message to the MNB, indicating the request for a decrease of the blocked securities based on the face value shown in the currency of the securities, but does not release the security.
- If the acceptance value of the securities remaining after the reduction of collateral exceeds the amount of the VIBER participant's debts originating from the collateralised credit it used, the MNB shall decrease the credit line as requested.
- If the reduction of the credit line is approved, the MNB shall notify KELER in an MT298 SMT600 message that the security can be released. If the decrease cannot be performed at all or just in part, the MNB shall refuse the request for the decrease and notifies KELER accordingly. The MNB shall notify the client of the reduction by means of a SWIFT MT581 message, indicating the changes in the intraday credit line and the set new value of intraday credit line. If the MNB refuses the request for the decrease of the credit line, the client shall not receive an MT581 message.
- KELER shall notify the client that securities have been released, or that the request for release has been rejected.

Due to system limitations concerning the processing time of credit line changes, during VIBER hours of operation credit line changes can only be undertaken by the MNB per hour and per direct participant at a maximum of 12 credit line changing messages. The MNB may amend this maximum limit in the positive direction (process a higher number

of items) but cannot be held responsible to fulfil these. Outside VIBER hours, the MNB shall reject credit line changing messages above the maximum of 12 credit line changing messages per hour and per direct participant, charging a fee specified in the Notice.

13.4. Extraordinary revaluation

If the price of securities acceptable as collateral falls significantly, the securities portfolio there may be an extraordinary (intraday) revaluation . The MNB shall suspend processing of orders to segregate and release collateral received from KELER and providing intraday credits until the conditions of acceptance have been amended. Because of extraordinary revaluation, the MNB shall suspend VIBER for the revaluation period and, for the purpose of collateral calculation, it shall also take into account the actual intraday credit portfolio (including any funds that are available on the bank account at the time). The MNB shall notify the clients concerning extraordinary revaluation by means of a SWIFT MT581 message, indicating the changes in the intraday credit line and the set new value of intraday credit line, if the intraday credit line of the VIBER participant has changed. Extraordinary revaluation may result in the setting of a minimum balance. The MNB shall allow ample time between the extraordinary revaluation and end-of-day closing to have the minimum balance eliminated, the hours of operation will be extended if necessary.

The minimum balance can be eliminated by blocking additional securities as collateral. Until this is done, the MNB requires there to be a positive balance on the bank account up to the amount of the minimum balance, thus providing collateral. If the client has more liquidity than the minimum balance, its payment orders may be executed from any available account balance above the minimum balance.

14. RISKS BORNE BY THE COOPERATING PARTIES:

a) *liquidity risk*: when a business partner of a participant – that is another participant or whose bank account is maintained by another participant – fails to satisfy its payment obligation in full when due, liquidity risk arises. It does not necessarily mean that the business partner or the other participant is insolvent, for it may be able to pay the sum owed at a later time.

b) *operational risk*: the risk that unexpected loss occurs due to inadequate or faulty operation of internal processes or the used IT systems, due to human behaviour or mistakes on the part of heads and members of the board of directors or supervisory board or executive officers;

c) *Legal risk:* the risk that any event where the judiciary interprets the law in ways contradicting with the rules laid down in the Business terms and conditions in a way that cannot be foreseen by the cooperating parties, hence rendering the provisions of the Business terms and conditions inapplicable;

d) *Systemic risk:* when a cooperating party is unable to satisfy its obligations in VIBER or is unable to carry out its responsibilities in due time, and thereby it may make impossible to other cooperating parties to satisfy their obligations due. If this process results in a liquidity crisis that jeopardises financial stability, it constitutes a systemic risk.

Given that in VIBER payment and settlement orders are executed gross, i.e. when the funds necessary are in fact available, the 'risk of default' that is typical of net settlement (where payment orders accepted by the system during the day cannot be executed due to insufficient funds) does not exist. On the other hand, there exists a liquidity risk (temporary, intraday liquidity shortage) and systemic risk (liquidity crisis), for which VIBER features the following management functions:

- VIBER participants are given the option to request an intraday credit line (on a voluntary basis, subject to special rules in terms of eligibility);
- PVP payment orders;

- VIBER features central queue management and an algorithm for abolishing gridlock;
- VIBER manages 99 priorities, available to participants in a prearranged scheme;
- VIBER participants are given real time notice upon the execution of their payment and settlement orders, regarding the opening of a queue and on any important event in VIBER;
- queries can be made with a SWIFT message, and the VIBER monitor is also available for better liquidity management.

The MNB functions as a settlement agent in providing services to KELER and GIRO Zrt. as market infrastructures. Settlement of DVP securities transactions on the securities side may be hindered by the liquidity shortage of the VIBER participant affected (that is handled as explained in the previous paragraph), as well as any operational error.

Direct VIBER participants' orders submitted for intraday multiple clearing shall not be executed during ICS intraday multiple clearing sessions if the necessary funds are not available in VIBER. Lack of funds on the part of a VIBER participant may, through failure to execute the orders sent by it, hinder the execution of the payee (beneficiary) VIBER participant's orders as well (because of an eventual lack of funds at the beneficiary VIBER participant). (This risk is presented in detail in the ICS Business Regulations)

In liquidity management related to instant settlement, if the direct VIBER participant has insufficient funds in VIBER, the instant internal transfers that provide the funds are not carried out. The VIBER participant's lack of funds may hinder the performance of the orders of the clients of the VIBER participant in instant settlements.

The operational risks that may arise in VIBER, and the related procedures are made available in Annex 4/a of the Business terms and conditions.

15. ORDERS MANAGED BY VIBER

15.1. Types of VIBER orders

A) Payment orders

- Payments initiated by customers of direct and indirect VIBER participants (customer payments),
- Inter-bank items of VIBER participants (bank-to-bank items),
- Account transfers of the central bank workstation (central bank transactions).

B) Settlement orders

- Settlement orders submitted by the market infrastructure

C) Transfers related to instant transfers

- Instant internal transfers submitted by GIRO Zrt.

15.2. Payments between VIBER participants

15.2.1. Customer payments and bank-to-bank payments

VIBER participants shall submit their payment orders using MT102, MT103, MT103+, MT202 and MT202COV (as well as optionally MT205) SWIFT messages addressed to the beneficiary to be credited.

Bank-to-bank items are payments ordered by direct or indirect VIBER participants with MT202 messages, when the beneficiary is a direct or indirect VIBER participant as well.

A payment order is considered a customer payment if it is initiated with an MT103 message.

MT102/103 and MT202/205 messages received by VIBER participants can only be considered settled in VIBER if the 'HUF' code word (and the subsequent numbers) is contained in the appropriate field of the message. (Payment will only be shown on the VIBER bank account statement as a settled payment in such cases.) Payments cannot be rejected through VIBER; the receiving VIBER participant shall return erroneously sent/received payment orders as a new payment order, and the two VIBER participants shall settle the applicable cost between themselves.

For VIBER participant credit institutions established in Hungary or abroad the head office, for the Hungarian branch offices of credit institutions registered abroad the branch office shall be obliged to receive customer payments, branches of all these shall be prepared for sending and receiving customer transactions in accordance with the information contained in the Routing table.

After customer hours of operation MT103 type payment orders will not be accepted, however, queued items will remain in VIBER – waiting for funds – and are executed prior to VIBER closing if funds are available.

15.2.2. PVP-based customer and bank-to-bank payment orders

PVP MT103 and MT202 type payment orders submitted by two direct VIBER participants with the same identification number and made out according to Appendix 1 shall be executed in VIBER simultaneously, if the fund for covering the net payment requirement for the matched items is available on the payer's bank account.

Upon receipt of a PVP payment order, when VIBER locates another PVP order that has the same identification number and a PVP code word, the two payment orders are matched by VIBER, and executed if there are sufficient net funds available. In the absence of any instruction from the other side, or if there are insufficient funds, the order shall be pending, i.e. waiting for settlement.

Two PVP orders can be matched if:

- both of them contains the PVP code word,
- both payment transactions are carried out between the same two direct VIBER participants in opposite directions,
- they have the same identification number,
- they have the same value date.

The two orders may be submitted in different types of messages.

The PVP orders that cannot be matched and those paired up PVP orders that cannot be executed due to insufficient funding shall be rejected by the system automatically at VIBER closing.

The direct VIBER participant having submitted the order may request to have the order cancelled by sending an MT298 SMT200 SWIFT message during VIBER hours of operation.

15.3. Orders submitted by the market infrastructure

The settlement of

- DVP-based securities transactions and
- ICS multiple intraday clearing,
  shall be settled via settlement orders submitted by the market infrastructure, furthermore

the performance of the payments between collective account and bank accounts of by the instant internal transfers submitted by GIRO Zrt.

15.3.1. DVP-based securities transactions

KELER shall performs the settlement of DVP-based securities transactions by direct VIBER participant credit institutions in securities, whereas the cash leg is executed by VIBER. In respect of DVP-based securities transactions, the client shall exercise control over the bank account indirectly, through KELER, as according to its General Business Rules KELER is entitled to submit payment orders affecting the bank accounts of direct VIBER participants directly for settlement of the cash leg of securities transactions.

DVP transactions are settled in real time, item by item; in case of insufficient funds the transaction is queued (both on the securities and cash legs). In the process of settlement of transactions, KELER first checks the securities available within its own system, which – if successful – is followed by financial settlement. If either or both parties to the transaction are VIBER participants, KELER submits an MT298 SMT100 type settlement order to VIBER for the purpose of financial settlement of the transaction. When the settlement order is executed KELER receives an MT298 SMT703 message, on the basis of which it records the transaction on the securities accounts affected. VIBER participants are notified when their bank account is debited by way of an MT900 type message, and by an MT910 message on credit. The settlement order may be withdrawn by KELER only, by means of an MT298 SMT200 message. KELER, and the bank account holders of the bank accounts to be debited and credited are notified by way of an MT298 SMT701 message concerning the items withdrawn or rejected or cancelled due to being queued at the end of the day. KELER is connected to its customers by way of its own KID[14] terminals.

DVP type securities transactions:

- guaranteed BSE (Budapest Stock Exchange) transactions (transactions with multinet settlement, derivative transactions)
- non-guaranteed securities transactions concluded in BSE (fixed-price, auctions and free-market transactions)
- securities transactions concluded outside of BSE (OTC transactions, primary market transactions, repos)

15.3.2. ICS intraday multiple clearing

GIRO Zrt. clears the payment orders submitted by direct ICS participants (ICS members) for intraday multiple clearing in the framework of ICS intraday multiple clearing. GIRO Zrt. shall – on the basis of the authorisation granted to it in the contract for clearing that it has entered into, and in order to execute intraday multiple clearing – be entitled – without any further consent or authorisation from the ICS member – to submit – from the ICS member's bank account maintained by the MNB and in order to ensure the funds covering the ICS member's payment orders submitted within the framework of intraday multiple clearing on GIRO Zrt.'s technical settlement account – an MT298 SMT100 type message with an amount of funds determined on the basis of the ICS member's specifications of the funds. Simultaneously with such amount being debited to the ICS member's bank account maintained by the MNB, the technical settlement account maintained by the MNB for GIRO Zrt. for the purpose of the settlement of intraday multiple clearing shall be credited. The MNB shall not be liable for GIRO Zrt.'s using the MT298 SMT100 message in a manner other than what is stipulated in the ICS Business Regulations. The MNB shall notify GIRO Zrt. and the ICS member of making funds available by sending MT910 and MT298 SMT703 messages to the former and an MT900 message to the latter.

If the funds in an amount specified in GIRO Zrt.'s MT298 SMT100 message are not available on the ICS member's bank account maintained by the MNB by the deadline set in the ICS Business Regulations, GIRO Zrt. shall, by sending an MT298 SMT200, withdraw its MT298 SMT100 message. GIRO Zrt. and the concerned ICS participant shall receive MT298 SMT701 messages informing them of the withdrawal of the MT298 SMT100 message.

Following the clearing of the session under the ICS Business Regulations, GIRO Zrt. shall, in order to be able to credit the closing balance of the session to the bank accounts of ICS members kept with the MNB, submit an MT298 SMT100

[14] See Annexes 2 and 2/a to the Business terms and conditions (Guide to the procedures of submitting and executing payment and settlement orders related to bank accounts).

type message to VIBER to the debit of its technical settlement account. Based on intraday multiple clearing, ICS participants are notified by an MT910 message of the crediting transaction carried out on their bank accounts kept with the MNB; GIRO Zrt. shall be informed in MT900 and MT298 SMT703 messages of the debiting of the technical settlement account.

15.3.3. Instant internal transfer

The instant internal transfers submitted by GIRO Zrt. through MT298 SMT100 SWIFT message are performed by the MNB according to the provisions in point 3.4.2.1 .

VIBER participants are informed by the MNB in an MT900 message in the case of debits, and in an MT910 message in the case of credits.

15.4. Central bank account transfers in CAS

The MNB shall make transfers between two bank accounts that it maintains automatically or manually. This means a debit and a credit between two direct VIBER participants, or between the MNB and a direct VIBER participant, initiated by the MNB. Following successful transfer between accounts, CAS automatically notifies the debited (MT900) and credited (MT910) VIBER participant. The MNB uses account transfers in particular for executing payments from ICS position matrix II and bankcard settlements, and settlement of cash deposits and withdrawals, placing deposits, transferring balance differences at the beginning of the day and correcting bank errors of MNB. In addition to charging the sender client the fee, the MNB corrects the payment transaction containing fillérs by manually transferring the fillér amount missing from the next whole forint value from the sender client's bank account to the recipient client's bank account, whereby both bank accounts will show a whole forint value once again.

15.4.1. Settlement of ICS position matrix II

If payment orders of a VIBER participant cannot be settled during the ICS night clearing due to lack of funds or late sending, the settlement of the queuing batches of the ICS night clearing is possible (hereinafter: morning processing). Any intention to request morning processing shall be sent to the MNB by filling out Annex 11 by the deadline specified in Annex 2. The MNB shall submit an account transfer order to the debit of the VIBER participant's bank account with high priority in order to separate the necessary funds, for which the VIBER participant shall provide sufficient funds.

The account transfer order given by the MNB into VIBER is in the queue until the funds are provided. If the VIBER participant is unable to provide funds for the morning processing by the time specified in Annex 2, the MNB shall delete the account transfer order .

When the ICS position matrix II is received, the MNB shall credit the VIBER participant(s) in a credit position debiting its own account – by way of account transfer.

GIRO Zrt. notifies ICS members of the list of sent and received and settled items in accordance with its Business Regulations.

15.4.2. Execution of bankcard settlement

Clearing positions for bankcard settlement are received at the MNB during VIBER hours of operation. They shall be processed with account transfer: the MNB shall debit the bank accounts of VIBER participants in a debit position, collecting the amount on its own account, and then, after all debits have been successfully completed, shall credit the bank accounts of VIBER participants in a credit position by debiting its own account by the time specified in Annex 2 and Annex 2/a.

If the bank account is unfunded, the MNB account transfer order shall remain in the queue with a high priority. The VIBER participant cannot withdraw such order nor change its priority. If any order arising from bankcard settlement is still in the queue at VIBER closing, VIBER shall not reject them: the MNB shall grant an overnight credit collateralised

with securities blocked for the MNB as beneficiary to cover settlement. In these cases the closing of VIBER shall be extended by the time necessary for granting the credit, but sending in other payment orders shall not be allowed.

The MNB shall forward all correspondence related to failure to comply with the obligation to provide bankcard collateral (security deposit) via the 'viber' channel of the GIROHáló GIROFile service. Communication with clients without an ICR membership is maintained over encrypted e-mail, encrypted fax or SWIFT.

15.4.3. Cash deposits and withdrawals at the MNB cash desks

VIBER participants can initiate cash deposits and withdrawals according to the Large Cash Transactions Terms and Conditions. Withdrawals are preceded by a cover check. In case of sufficient funds the debit entry is made and after this the cash is disbursed. If there are insufficient funds, the payment order is rejected.

15.4.4. Placing deposits during VIBER hours of operation

Settlement of deposit requests processed during the VIBER hours of operation shall be made in VIBER with account transfer.

15.4.5. Redemption of securities of the MNB's own issue upon maturity

On the day of maturity of the securities of the MNB's own issue, at the start of the operation hours of VIBER the MNB shall credit – upon receipt of advance notice form KELER – the bank account of the beneficiary resident credit institution (or the correspondent with a VIBER bank account if the securities holder is not a VIBER participant), by way of account transfer.

15.4.6. Transfers due to bank errors

Any error incurred by the MNB will be corrected during VIBER hours of operation, by way of account transfer.

15.4.7. Official transfer orders and remittance summons

Funds for official transfer orders and remittance summons received during VIBER hours of operation are blocked in VIBER with account transfer. The bank account holder is notified regarding the debit in an MT900 type message.

15.4.8. Prepayment of central bank credits

A resident credit institution shall be entitled to repay the overnight collateralised credit even during VIBER hours of operation. VIBER participants shall be entitled to initiate repayments with an MT202 message, indicating the MNB's MANEHUHH BIC as beneficiary.

15.4.9. Booking of instant credits

The entries of instant credit disbursements after midnight that affect the collective account and the entries of instant credit repayments – including the related charges – that affect the bank account are performed with account transfer in VIBER. The client is informed of the debit in an MT900 SWIFT message.

15.4.10. Central bank receivables not settled before VIBER opening

Of the central bank receivables, uncollateralised forint credits and bank charges (interest and fees and commissions charged according to the Conditions) are booked at the beginning of the business day providing that there are sufficient funds. If there are insufficient funds, the payment order is put in a queue in VIBER. The MNB charges default interest until the settlement of central bank receivables which are still in the queue at the end of the day. If the central bank receivables in the queue at the end of the day result from fees, extra fees, commissions, or postal and other costs, the MNB charges default interest starting with the 5th business day.

16. SENDING AND RECEIVING ORDERS

16.1. SWIFT FIN Y-Copy

The communication system of VIBER is SWIFT. SWIFT FINCopy service shall serve to convey messages for domestic real time gross settlement systems.

Payments orders may be dispatched into VIBER if made out according to SWIFT standards and the rules laid down in Appendix 1 of the Business terms and conditions entitled 'Description of messages used in VIBER'.

SWIFT FIN Y-Copy receives the payment orders (MT102/103/103+, MT202/205 and MT202COV messages), containing the 'HUF' code in Field 103 of the message header: it is an instruction to send the item to VIBER. Following a formal control, it automatically sends a settlement request (MT096 message) to CAS, containing the full data content of the payment order. Based on the settlement request, CAS debits the sender VIBER participant's bank account and credits the beneficiary VIBER participant's bank account. It sends an MT097 response message to FIN Y-Copy with the result of the transaction. Based on an affirmative answer, i.e. a settled debit-credit, the beneficiary VIBER participant receives an MT102/103 or MT202/205 message. For the receiving VIBER participant this verifies that the payment order has been finally and irrevocably settled by the central bank, and the VIBER participant may credit the received payment transaction to the account of its customer.

SWIFT notifies the holder of the debited bank account regarding execution of the payment order with an MT012[15] message.

Irregular, invalid payment orders will be rejected by VIBER and the reason for rejection will be communicated in an MT019 message.

16.2. Checking orders in various phases of CAS

a) CAS has not been opened for the day yet

In this status, VIBER does not work; it does not receive payment orders or other commands, the items are not settled, nor can any queries be made. However, SWIFT FINCopy receives and verifies (in terms of the SWIFT standards) the messages and stores them until VIBER opens.

b) The date of execution has been set in CAS

If the date of execution has already been set in CAS, but the settlement of payments has not yet begun ('not Open for Business'), VIBER checks the date of execution of the order upon receipt of payment orders. Payment orders may be submitted to VIBER for the set date of execution (effective date) or for a date of execution – maximum 7 calendar days – later. A payment order submitted with a later date of execution is stored in the system ('warehouse') and CAS

[15] MNB ordered this advice at SWIFT.

begins processing on the value date indicated after the date of execution is provided. Payment orders submitted for a date of execution outside the time limit permitted shall be rejected, of which the sending VIBER participant will be notified by means of an MT019 type message, KELER by means of an MT298 SMT701 type SWIFT message, respectively.

If the date of execution of the payment order is the same as the date of execution set in CAS, the item will be hold pending, i.e. waiting for settlement, until CAS opens.

Insofar as the settlement process begins, but the current day is already set in CAS as the date of execution (i.e. it is open), the incoming orders, queries and commands are stored.

c) CAS is 'Open for Business'

If VIBER is open for settlement, upon the receipt of the payment order, the process starts with the verification of the date of execution as described above, followed by the examination of duplication.

The conclusion of duplication takes place based on the transaction number (TRN), the type of the SWIFT message, the date of execution and the BIC of the sending VIBER participant. CAS considers a payment order duplicated if the individual key generated from the aforementioned codes occurs a second time as well. When this rule is violated, the VIBER participant receives an MT019 SWIFT message, and KELER receives an MT298 SMT701 message regarding rejection of the order. If the payment order is for the current day and it has been checked, the payment order is put into the settlement queue ('Ready'). If the settlement of payments is suspended ('suspended'), or the end of execution command has already been issued, the payment orders are stored ('pending').

VIBER participants must log onto the SWIFT interface for this period, for their system to be ready to send and receive messages. They will see that VIBER is open for business when they receive the first SWIFT message from VIBER, typically (MT900 or 910) on the debit or credit arising from the opening settlement account transfer between CAS and the MNB's analytical client account management system[16]

d) CAS is 'Closed for Business'

If VIBER is closed, VIBER rejects the payment orders for the execution date set in CAS delivered at that time , whereas other payment orders are checked according to point b).

If a payment order with a same-day execution date is received in VIBER after the final closing of VIBER (shut down status), it shall not send the rejection message on the current day, only upon the opening of CAS on the subsequent day.

16.3. Acceptance of orders

a.) Time of acceptance of payment orders submitted for execution of payments between VIBER participants (customer items and bank-to-bank items), specified under point 15.2.

VIBER does not consider these payment orders accepted until settlement.

b.) Time of acceptance of settlement orders related to DVP-based securities transactions initiated by KELER

In terms of settlement of the cash leg of DVP-based securities transactions already lawfully accepted under the General Business Rules of KELER, the time of acceptance of settlement orders under point **15.3.1** initiated

[16] The CAS balance is modified with the sum of VIBER closing balance of the previous day and balance of items booked in the MNB's analytical client account management system before VIBER opening as the opening item, so the two account managing systems are synchronised. For the next period of the business day, CAS will function as the MNB's authentic account manager until the closing time of VIBER.

by KELER shall be identical with their date of acceptance by KELER, regardless of actual receipt of the settlement order in VIBER, provided that the order is not rejected due to logical (formal or content-related) reasons. The provisions of point a) shall apply to the acceptance date of payment orders initiated by KELER.

c.) Time of acceptance of ICS intraday multiple clearing

The time of acceptance by VIBER of transactions already lawfully accepted and settled under the ICS Business Regulations is identical with the time of acceptance in ICS, regardless of actual receipt of the settlement order in VIBER, provided that the transaction is not rejected due to logical (formal or content-related) reasons.

16.4. Settlement of the payment orders

If the payment order has been submitted properly, it is put into the settlement queue on the value date.

Payment orders are settled in the order of receipt within the business priority.

Settlement of payment orders always means that one bank account is debited and another bank account is credited. It takes place in the same work process, and both participants receive the same execution time stamp with regard to the payment.

If, for technical reasons, a VIBER participant is unable to send and receive and its bank account managed by the MNB is not suspended in VIBER, the received payment transactions are settled on its bank account, without the VIBER participant receiving real-time notification of them.

16.5. Suspension of payments

The MNB may suspend the operation of VIBER or a bank account in case of

a) an extraordinary revaluation,
b) granting credit with bankcard collateral,
c) an extraordinary event (e.g. the procedure under Article 197(1) of the CFA)

Suspension may mean suspending both sending and receiving. All VIBER participants are notified about the suspension by way of an MT298 SMT700 message. If the bank account to be debited or credited is suspended, VIBER blocks the orders submitted until the end of suspension, or the closing of the VIBER business day. If the bank account to be credited is suspended, after blocking the payment orders submitted CAS continues to settle the items towards the other bank accounts to be credited.

16.6. Priorities in VIBER

Clients shall be entitled to send their payment orders with a priority code. Unless otherwise instructed, VIBER assigns the priority code 98.

CAS manages 99 priorities, the settlement of payment orders with the lower code numbers shall take precedence over the payment order(s) with a higher code number.

Priority	Payment transactions	Sender
0	VIBER START, instant credit repayment and instant credit fee	MNB
1	The MNB receivables for monetary purposes	MNB

2	Official transfer orders, remittance summons	MNB
3	The MNB receivables for non-monetary purposes	MNB
4	Instant internal transfer, ICS position matrix II, queue management, ICS intraday multiple clearing	MNB, GIRO Zrt.
5	Bankcard settlement, cash disbursement	MNB
6	Primary market transactions	KELER, MNB
7	Derivative transactions	KELER, MNB
8	Multinet settlement transactions	KELER, MNB
9	Other DVP transactions	KELER, MNB
10	Other central bank transactions	MNB
11	Transactions initiated in the framework of the Continuous Linked Settlement (CLS) (Pay-Ins and Pay-Outs)	VIBER participants
12-98	Payment orders	VIBER participants

If a VIBER participant sets a priority which is lower than the priority allowed for it, VIBER overwrites it with the lowest priority allowed for the VIBER participant in question.

Only the sender of the payment order may request a **change in priority**, by way of an MT298 SMT202 type SWIFT message or using the VIBER monitor, prior to the settlement of the order (the order is in the queue or it is to be settled at a later date of execution). VIBER does not send a message on a successful priority change, but notifies the sender with an MT298 SMT252 message if it fails.

The MNB may change the priority of a VIBER participant at the request of the VIBER participant, if it has a technical problem.

16.7. Queue management mechanism

The bank account of each VIBER participant managed by the MNB has a queue, and each payment order stands in the same queue, depending on their priority.

CAS notifies the VIBER participant with an MT298 SMT700 message, if the order at the top of the payment queue does not move for 90 seconds due to insufficient funds. If the payment order at the top of the queue changes (e.g. is settled or drops back in the priority order) and the next order replacing itis not settled in 90 seconds either, CAS sends another message. Similarly, the VIBER participant receives a message if its queue has been emptied. A payment may be entered into the queue due to the following reasons:

- CAS is not open for settlement yet.

- The bank account to be debited or credited is suspended[17].
- The bank account to be debited does not have sufficient funds; there may already be orders in the queue.
- Automatic gridlock resolution is in progress, and the given bank account is also involved in this process.
- CAS is overloaded.

The payment order is removed from the queue if:

- Funds arrive to the bank account, sufficient for settlement. There is no partial settlement.
- If the sender VIBER participant cancels a payment order for a higher amount standing in front of it in the queue or lowers its priority, and the liquidity on the bank account is sufficient.
- If a new or existing payment order for a lower amount receives a higher priority than the order at the top of the queue and the funds of the VIBER participant covers its settlement.
- Gridlock has been resolved successfully.
- CAS is no longer overloaded.

16.8. Withdrawal and cancellation of orders

The sender may withdraw all orders in the queue before such are settled (cancel them by an MT298 SMT200 message or using the VIBER monitor). VIBER rejects this command if, for example,

- payment has already been performed in the meantime,
- the order has been withdrawn previously.

CAS sends an MT298 SMT250 message on failure of withdrawal. If withdrawal is successful, the transaction is deleted from the queuing system and the VIBER participant automatically receives an MT019 message regarding such from the SWIFT centre (not from MANEHU address), and the beneficiary of the withdrawn order receives an MT298 SMT701 message. The withdrawn payment order appears as a deleted order on the monitor.

Settlement orders in the queue, sent by the market infrastructure in VIBER may be withdrawn only by the market infrastructure (with an MT298 SMT200 message). In such a case, the market infrastructure and the debit and credit parties receive an MT298/SMT701 message regarding withdrawal.

The debit and credit parties receive an MT298 SMT701 message regarding the successful withdrawal of the central bank account transfer. If payment and settlement orders are still not settled due to insufficiently funds or for other reasons by the closing time of the VIBER business day, they shall be cancelled at VIBER closing. CAS sends an MT298 SMT701 message about the rejection or end-of-day cancellation:

- of the payment order submitted by the VIBER participant to the credit party ,
- of the central bank account transfer to the debit and credit parties ,
- of the settlement order to the debit party and the market infrastructure submitting the settlement order

.

[17] The payment orders to be transferred to the credit of the suspended account are put into the queue, but the processing of subsequent payments, to be transferred to a different VIBER participant, continues (provided that there are sufficient funds). The queuing system is notified about the termination of the suspension and it can start processing the withheld item.

16.9. Gridlock

Gridlock occurs if the payment orders of two or more VIBER participants are in a queue while they have a debt to each other, but in total there is no liquidity shortage.

Gridlock can be resolved by putting more liquidity into VIBER, or using a gridlock resolution algorithm. The frequency of starting such an algorithm can be defined with parameters, or it can be launched from the MNB workstation. With this algorithm, the sequence of the orders does not change in the process.

16.10. Insolvency proceedings

If insolvency proceedings have been initiated against a VIBER participant, the MNB shall proceed as follows:.

16.10.1. The date of receipt of the notice of initiation of an insolvency proceeding

The confirmed arrival date of the notice in accordance with Article 5(1) of the SFA is, regardless of the method of transmission, when the first written notice of an initiated insolvency proceeding against the direct or indirect VIBER participant from the competent court or the MNB's official functional area authorised to act is proven to be received by a designated employee of the MNB's organisational unit operating the VIBER system.

16.10.2. Notification to the system participants of the initiation of an insolvency proceeding

As soon as notification of the initiation of an insolvency proceeding, according to the previous point 16.10.1, is confirmed, the MNB as the system operator according to the Article 3(1) point c) of the SFA, shall immediately notify by e-mail the person(s) authorised to receive such notification and to act on behalf of the direct and indirect VIBER participants

a) of the fact of the initiation of the proceeding, the content and the date of receipt of the notification thereof,

b) of the exact date when the acceptance of payment orders of the direct VIBER participant subject to the proceeding or the credit institution providing correspondent banking service to the indirect VIBER participant subject to the proceeding is stopped by the system according to point 16.10.3.1 subpoint a) or according to point 16.10.4.2.

16.10.3. Rules of procedure in the event of an insolvency proceeding initiated against a direct VIBER participant

1. After the arrival of the confirmation of notice of the initiation of an insolvency proceeding according to point 16.10.1., the MNB as settlement agent shall

   a) immediately stop the admission of additional payment and settlement orders from the participant involved in the proceeding and only continues to receive payment orders in accordance with the rules laid down in other legislation regarding insolvency proceedings (like e.g. upon the approval of the liquidator, supervisory commissioner or its own authorised agents),

   b) no longer accept from the direct VIBER participant subject to the proceeding, orders for intraday credit line changes set out under point 13.3.

   c) in case of a proceeding in accordance with Article 197(1) of the CFA suspend the settlement of payment orders arriving in favour of the direct VIBER participant subject to the proceeding.

2. In accordance with Article 4(1) of the SFA the MNB as settlement agent shall execute payment orders received in line with the timeframe under point 16.10.2. subpoint b) and in the manner of point 16.3., if there are sufficient funds available, to the extent of these funds regardless of the initiation of the insolvency proceeding, if the direct VIBER participant subject to these proceeding does not withdraw it according to point 16.8. The execution shall be carried out in the order specified in point 16.4.

3. In accordance with Article 8(2) of the SFA the MNB as settlement agent shall be entitled for the purpose to fulfil its obligations resulting from the payment orders lawfully received in line with point 2. to use:

   a) the available funds for the execution of payment orders according to point 2., in the bank account of the direct VIBER participant subject to the proceeding at the time of the receipt of the notice set out in point 16.10.1.,

   b) also, the free intraday credit line of the direct VIBER participant, that is available at the time of the receipt of the notice set out in point 16.10.1., collateralised by a securities portfolio blocked at KELER as collateral security for the MNB as beneficiary not used as the collateral for overnight or longer-term collateralised credits, as well as by pledged corporate receivables, in which case the securities as collateral will be transferred to the MNB and the mortgages will be enforced,

   c) the funds received on the day of the receipt of the notice set out in point 16.10.1. to the bank account of the participant under insolvency proceeding.

16.10.4. Rules of procedure in the event of an insolvency proceeding initiated against an indirect VIBER participant

1. A VIBER participant providing correspondent banking services shall at the time of the receipt of the MNB's notice set out in point 16.10.2.

   a. immediately stop the transmission of the orders of the indirect VIBER participant subject to the proceeding into VIBER,

   b. immediately withdraw any of its payment orders sent to VIBER in the time period between the time indicated for stopping the acceptance of payment orders into the system indicated in the notice of the MNB in accordance with point 16.10.2. and the time of the receipt of the notice, containing payment orders stemming from the indirect VIBER participant subject to the proceeding,

   c. send a confirmation message in electronic form of the completion of the actions described in previous subpoints a) and b) to the MNB,

   d. if the payment orders withdrawn in accordance with subpoint b) include items belonging to other credit institutions for which it maintains an account, after filtering out the payment orders of the indirect VIBER participant subject to the proceeding, immediately, repeatedly forward the payment order into VIBER.

2. The MNB shall suspend the execution of payment orders submitted by a VIBER participant providing correspondent banking service after the receipt of confirmation of notice of the initiation of insolvency proceeding according to point 16.10.1., until the receipt of the confirmation set out in point 16.10.4.1. subpoint c).

16.11. Notification of transactions, queries

VIBER participants shall be informed of payment transactions settled in VIBER via SWIFT messages, broken down according to items, and also by means of a SWIFT statement after the closing of VIBER, VIBER transactions are indicated in the bank account statements as one (aggregate) debit or credit item, respectively. VIBER participants having a VIBER monitor can follow their bank account positions and the data related to their payment orders on-line during hours of operation. Queries are made with a SWIFT message, according to the rules set in the Appendix 1 of the Business terms and conditions. VIBER members are able to request information via telephone after they are identified.

16.12. Contingency procedures

VIBER participants shall be obliged to immediately notify the MNB if due to malfunction or other reason they become temporarily incapable of sending or receiving messages, and if the MNB is required to intervene due to the length of time required for repairs. The client shall also indicate the expected time of recommencing operations.

The Annex 4/a of these Business terms and conditions entitled 'Contingency procedures affecting VIBER participants' defines the concept of major malfunction, as well as the alternative means available for the execution of payment orders in VIBER if such circumstances occur. The client shall prepare its own contingency plan for such situations and keep such plan updated.

17. USE OF THE VIBER MONITOR

The monitor works using the 'Browse' and 'InterAct' services of SWIFTNet. Its pre-conditions are as follows:

- registration in the monitor Closed User Group (CUG) at SWIFT,
- requesting user IDs and authorisations,
- successful testing,
- issuing the Technical Qualification Certificate.

According to their authorisations, the user have the right to:

- make enquiries and amendments and/or,
- approve amendments,
- reset passwords,
- disable users and repeatedly enable the previously disabled user.

At least 2 users are required (a modification always has to be approved based on the four-eye principle) for the commands (cancellation of payment order, changing of priority, password resetting, repeated enabling of previously disabled user). The modification can be changed and cancelled until approval.

Functions of the Participant Browser Access:

Data displayed on the Account Monitor platform:

- monitoring participants' liquidity position,
- the current state of the suspension of credit transactions to participants as transferees
- the current state of the suspension of participants' accounts
- the queued debit and credit items of participants

Queries:

- participants' queuing and settled payment orders according to flexible selection aspects,
- commands to modify queuing orders through cancellation and priority changing,
- data exporting for compiling reports and statistics.

The following information is available through the queries:

- settled debit orders* ,

- settled credited payment transactions* ,
- status of PVP transactions,
  - unmatched – there are no orders in the system that can be matched,
  - matched, there are conforming items in the system, however, the items are not yet executed due to insufficient funds,
  - executed.

  For each PVP transaction there are two additional fields available on the Payment Details screen: PVP reference and PVP Matching Information. The PVP reference field is a hyperlink, pointing to the other order of the PVP transaction executed.
- bank account balance of the VIBER participant,
- submitted, queuing payment orders,*
- organisational information relevant to the VIBER participant,
- free-format messages,
- information on the operational day.

Commands allow the management of the queue, that is to say cancellation of queuing payment orders and changing of priorities.

Reports available before Close for Business:

- Interim Report – with the same contents as of the End of Day Report
- Monthly Report
- Unsettled Transactions Report*

Reports available after Close for Business:

- All Transactions Report*
- Balance History Graph
- Cancellations Report*
- Changes to System Queue Report
- Payment Distribution Histogram
- End of Day Report
- Forward Transactions Report*
- Incoming Transfer Summary Report
- Monthly Report
- Outgoing Transactions by Status Report
- (Outgoing Transfer Summary Report
- Settled Transactions Report*
- Settlement Total Report

In the reports marked with an asterisk (*) deals in PVP payment transactions are shown separately.

The reports can be exported in Text, Excel and XML formats and are available up to a month prior to the query. Retrieval of previous periods is not possible, therefore for longer intervals regular query of data (e.g. monthly) is necessary!

User interface data:

- User details
- Disable user account and re-enable disabled user account
- Reset Password

The VIBER participant shall assign the VIBER monitor identifiers to persons, and it is always the VIBER participant that is liable for the activities performed using the identifiers. If an identifier is used jointly by direct VIBER participants, the VIBER participant shall be obliged to include additional checks in the process in order to be able to call the users to account, and to keep records indicating which access belongs to which person.

Requests for VIBER monitor shall be submitted on the completed application form contained in Annex 7, and the related entitlements may be requested upon receipt of the Technical Qualification Certificate CAS/VIBER monitor authorisation application form (Annex 6) dispatched by mail, encrypted fax, GIROHáló GIROFile 'viber' message or MT299 SWIFT message (BIC: MANEHUHH).

ANNEXES

Annex 1: Information on the Central Bank's collateral assessment system

Annex 2: Guide on the procedures of submitting and executing orders related to bank accounts

Annex 2/a: Special rules concerning payment orders involving forint bank accounts executed on Saturdays which have officially been declared business days

Annex 3: Rules for the administration of certificates used in communication

Annex 3/a: Notification form for Annex 3

Annex 4/a: Contingency procedures affecting VIBER participants

Annex 4/b: List of those to be notified in case of extraordinary circumstances

Annex 4/c: Sample letter sent by the MNB: 'Notification of VIBER participants of a delay in hours of operation'

(Annex 4/a, b and c is available for downloading for VIBER contact persons on the MNB website)

Annex 5: End-of-day credit request

Annex 6: CAS/VIBER monitor authorisation application form

Annex 7: VIBER monitor application form

Annex 8: VIBER contact person notification form

Annex 9: SWIFT messages related to the conduct of central bank operations

Annex 10: Statements, for instructions made in the name and on behalf of account holders

Annex 11 ICS night clearing request for morning processing

Annex 12 Request O/N and deposit tender by non-SWIFT

Annex 13 SWIFT messages related to IG1 and minimum reserve segregation, in connection with instant settlement

Annex 14 Request for the submission of IG1 and minimum reserve segregation not through SWIFT

Appendix 1: Description of messages used in VIBER

Appendix 2: Exchange of information between the MNB and its clients

Appendix 3: Management of personal data