

**1. From what date and where can upgraded 1,000 forint banknotes be seen?**

The upgraded 1,000 forint denomination will become legal tender from 24 August 2017; however, the banknote will only be seen in circulation at a later date. Following the legal issuance, the Bank provides a 6-month period for participants in cash circulation, primarily for operators of banknote acceptors and processing machines to adapt their machines to the handling of new banknotes. Following the preparation period mentioned above, from 1 March 2018 the MNB will continuously put upgraded 1,000 forint banknotes in circulation. Initially, the new denominations will be accessible for the public by cash withdrawal from ATM machines, and receiving payments at post offices and financial institutions.

**2. Why will the new 1,000 forint banknotes be put into circulation on 1 March 2018, if they are considered legal tender from 24 August 2017 onwards? Why is the preparation period so long this time, when a 3-month period was sufficient for the denominations upgraded earlier?**

Similarly to the practice applied for the upgraded banknotes that have been put into circulation thus far the MNB provides the time necessary for the professional participants of the cash supply chain (credit institutions, the post office, CIT companies merchants and operators of banknote acceptors) to prepare for and adapt to the handling of new banknotes. It must be ensured that banknote acceptors, payment and processing machines operated by these organisations are able to validate whether the new banknotes are real and fit for circulation. Since 1,000 forint banknotes are accepted by much more, several thousand to be exact, parking ticket and vending machines than denominations of higher value issued earlier, the MNB considered it necessary to provide a longer preparation time in the case of this denomination.

**3. Until when will the old 1,000 forint banknotes remain in circulation?**

The withdrawal of old 1,000 forint banknotes, issued before 2017, will take place on 31 October 2018, after that date these banknotes cannot be used in cash circulation. It is important to note that the withdrawal does not entail loss in value.

**4. In addition to the legal issuance of 1,000 forint banknotes what other changes affecting the banknotes in circulation are to be expected? Cannot the old 10,000 forint banknotes be used for payment?**

*It is important to know that the old 10,000 forint denominations can be used in cash circulation without restrictions. No decision has been made by the MNB with regards their withdrawal. In 2017, in addition to the withdrawal of the old 2,000 and 5,000 forint banknotes as well as the legal issuance of the new*

1,000 forint banknotes the old 20,000 forint banknotes will be withdrawn until the date of withdrawal on 31 December 2017. So, from 2018 only the new denomination can be used for payment in respect of the new 20,000 forint banknotes.

#### **5. Until when and where can I exchange old banknotes after the date of withdrawal?**

Cash offices in credit institutions and post offices will exchange old banknotes to legal tender free of charge for 3 years following the date of withdrawal, i.e. from 31 October 2018 in the case of 1,000 banknotes. However, it should be noted, that the obligation to exchange notes free of charge includes exclusively the change of the withdrawn banknote denomination to legal tender. Thus, for example an old 1,000 forint banknote may only be exchanged to a new 1,000 forint banknote free of charge. If the client wishes to have the exchange in different denominations, the credit institution or the post office may charge a fee for the exchange of denominations. The exchange may be carried out in all credit institutions and post offices that have a cash office. Holding an account with the institution or the use of their service is not a pre-condition of the exchange. MNB Decree 11/2011. (IX. 6.) contains the regulations and conditions of the exchange of denominations and banknotes withdrawn from circulation. This is accessible on the MNB's website on the page entitled Banknotes and Coins: <http://www.mnb.hu/bankjegy-es-erme/keszpenzfizetes-jogszabalyi-kornyezete/bankjegy-es-ermerendelet-rendelkezesei>

The possibility of exchanging old banknotes to legal tender will still be open after the three-year period granted by credit institutions and the post office, as the MNB will exchange the withdrawn banknotes for another 20 years free of charge following the date of withdrawal, i.e. until 31 October 2038 in the case of 1,000 forint banknotes.

#### **6. Can I exchange the old 1,000 forint banknotes that I have before the date of withdrawal, that is 31 October 2018 in credit institutions and post offices?**

This is not regulated by the MNB, as old 1,000 banknotes qualify as legal tender until the date of withdrawal, therefore they can be used in cash payments without restrictions. As a result, in the so-called parallel distribution period, between 1 March 2018 and 31 October, credit institutions and the post office may operate following their own business terms and conditions in this regard. In the event of such request it is recommended that clients contact their bank maintaining their account, or make an inquiry at the local post office.

**7. Will the time provided by the MNB be sufficient to change the old 1,000 forint banknotes to new ones, i.e. 8 months following the date of withdrawal meaning 1 March 2018?**

When setting the date of withdrawal for the old 1,000 forint denominations the Bank considered the experiences coming from the upgraded banknotes' flow into circulation and the withdrawal of old 2,000 and 5,000 banknote denominations on 31 July 2017. In light of all that and considering the primarily transactional role the 1,000 forint banknote played in cash circulation it can be said that, the time that has been allocated to complete the withdrawal of old denominations is enough and has been adjusted well to the characteristics of the task.

**8. How many banknotes can be exchanged in one transaction? Can credit institutions and the post office set limitations in that regard?**

There are no quantity restrictions to the exchange of the withdrawn banknotes to legal tender for 3 years from the time of withdrawal. Following the three-year period, the credit institution and the post office shall not be obliged to exchange the withdrawn banknote denominations, but the conditions and possibility of exchange might be specified in their own business terms and conditions.

**9. Can I only exchange the banknotes in credit institutions I am already a client of (e.g. in the bank where I have an account)?**

Withdrawn forint banknotes can be exchanged in any credit institution branch that has a cash office for three years following the date of withdrawal. During this period credit institutions and the post office cannot set holding an account with them or the use of their service as the pre-condition of the exchange.

**10. Are there new security features on the upgraded 1,000 forint banknote that can be checked easily without using special equipment?**

In everyday transactions it is advisable to check the following security features on the upgraded 1,000 forint banknote that are typical of the denomination and require no special equipment:

- The watermark, already featured to date, depicting the mirror image of the printed portrait now completed with the horizontal 1,000 value numeral next to the portrait watermark image on the new banknote. This combination popularly applied on many foreign banknotes makes counterfeiting more complicated on the one hand, and it can be checked easily by the public and cashiers on the other.
- The hologram on the front offers a more pronounced and complicated protection that is typical of the denomination. The holographic foil on the 1,000 forint banknote features the

mirror image of Matthias Corvinus' portrait. Similarly to the 2,000 forint banknote, the foil is positioned on the left edge of the banknote.

- Value numerals in numbers and lettering on the upgraded 1,000 forint banknote can be felt better by running a finger across them than the present version. But the new banknote features other elements that facilitate the identification of the banknote by feeling its surface with fingers. The value numeral 1,000 forint is placed on the upper left edge of the banknote in the same manner as on the 2,000 forint banknote.
- In the middle on the front side there is an element printed in the kind of ink that shifts colour when tilted. This security feature on the 1,000 forint banknote displays a raven holding a ring in its beak, whose colour changes from purple to green when moved.




A detailed, interactive presentation on the security features the banknote displays can be accessed on the MNB's website on the page entitled Banknotes and Coins by clicking on the link below: <http://www.mnb.hu/bankjegy-es-erme/bankjegyeink>.

#### **11. When will the issuance of the upgraded forint banknotes be completed?**

The issuance of the upgraded forint banknotes and the withdrawal of the old versions will be completed by the end of 2019. The MNB will provide detailed information on the issuance of denominations as well as the withdrawal of old banknotes still in circulation observing the deadlines.

#### **12. Until when can the individual banknotes be used for purchases?**

The below table contains information with regards to the usage of upgraded and old banknotes in cash circulation.

Denomination	Validity
	The newly issued denomination may be used in cash circulation without restrictions
	Denomination to be withdrawn, <b>may be used in cash circulation until the date of withdrawal on 31 December 2017</b>
	The MNB will make an announcement concerning the withdrawal of an old denomination used in cash circulation without restriction at a later date
	The newly issued denomination may be used in cash circulation without restrictions
	The newly issued denomination may be used in cash circulation without restrictions
<del></del>	<b>Withdrawn denomination, no longer usable in cash circulation</b>
	The newly issued denomination may be used in cash circulation without restrictions
<del></del>	<b>Withdrawn denomination, no longer usable in cash circulation</b>
	Newly issued denomination, may be used in cash circulation from 1 March 2018
	Denomination to be withdrawn, <b>may be used in cash circulation until the date of withdrawal on 31 October 2018</b>
	The MNB will make an announcement concerning the withdrawal of an old denomination usable in cash circulation without restriction at a later date