

**Dear Customer,**

We wish to inform you that, as a result of the EU Directive 2014/65/EU and EU Regulation 600/2014/EU on markets in financial instruments (hereinafter MiFID2), significant modifications will be made in the Hungarian legislation to be applied in the supply of investment services from 3 January 2018. MKB Bank Zrt. (hereinafter Bank) has prepared the following information on the most important changes affecting its Customers.

**Please read this information carefully and return the attached declaration to us in order to be able to continue using our investment services seamlessly in the changed legislative environment.**

### **MiFID questionnaire**

In relation to its private individual Customers, from 3 January 2018, the Bank will provide investment consultancy services only for account holders, i.e., investment consultancy services will not be available to any person with the right to access the account (proxy).

According to MiFID2, it is still important for the Bank as an investment service provider to have accurate and up-to-date information about its Customers in order to be able to provide them adequate services in relation to transactions and financial instruments.

If you completed your MiFID test more than one year ago or if there have been any changes in the information provided there or if you have not yet completed a MiFID test, please request the completion of a (another) MiFID test. You can complete the test personally at the Bank's branches or, if you have NetBankár access, through the electronic banking channel.

### **Reporting obligation**

The Bank will provide prior and subsequent information in relation to investment services according to your choice. In that regard, please return to us the declaration included in the Annex of this information by using any of the following channels:

- By post, sent to the following address:  
MKB Bank Zrt, Értékpapír, Fizetési és Treasury Műveletek Igazgatóság (Securities, Payment and Treasury Transactions Directorate), H-1821 Budapest
- Via e-mail, addressed to [EBOpenzugy@mkb.hu](mailto:EBOpenzugy@mkb.hu)
- By submitting it in any branch

The list of our branches is available on our website: [www.mkb.hu](http://www.mkb.hu)

The Bank will prepare and provide the Customer a suitability report prior to the implementation of any transaction within the framework of investment advisory services irrespective whether or not the investment advice leads to an actual transaction, and will make it available to you on paper, or on a different durable data medium (e.g., via e-mail) according to your choice.

If, following the investment advice, you intend to enter into a transaction through a telecommunications device (e.g., phone), on which the suitability declaration cannot be provided in advance, you can postpone the transaction until you learn about the contents of the suitability

report. Whenever an order is placed on the phone, the Bank will request you on each occasion to declare whether or not you wish to exercise the right to postpone the transaction.

Customers using investment services must be informed in advance on the expenses of the acquisition, maintenance and liquidation of the investments and on the impact thereof on the return. You may request prior information on fees and expenses by choosing the attached declaration No. 1. Following prior registration, you can study the prior cost calculation most conveniently on the Bank's website on the page dedicated to information on costs, by using the code required for access, but you can also ask the Bank to send it to you electronically (via e-mail or another electronic channel provided by the Bank) or on paper by post. Please also note that if you opt for information to be provided on paper, using investment services available on the phone or in electronic channels may be difficult, because you will only be able to use the services after receiving information by post, which therefore can cause a significant delay.

### **Registration of communication with Customers**

From 3 January 2018, investment service providers will have to record telephone conversations and e-mail messages exchanged in relation to certain investment services, also including those which will not lead to an actual transaction. In addition, preparing records of relevant personal discussions with customers will also be compulsory. Telephone conversations concerning customer orders and electronic communication must be recorded in order to improve investor protection and market supervision as well as legal certainty and is also in line with the EU Charter on Fundamental Rights. Consequently, we hereby inform all our distinguished Customers that telephone conversations and exchanged e-mail messages that actually or potentially result in a transaction will be recorded.

### **Execution policy**

From 3 January 2018, the Bank will adequately inform you and make available for you its execution policy laying down the rules for the most favourable execution of orders for Customers. The Bank will provide information on its 5 greatest-volume execution platforms in the form of a public notice each year. The execution policy also provides for an option to execute orders outside the trading platforms (stock exchange, regulated market, multilateral trading facility (MTF), organised trading facility (OTF)). Execution outside the trading platforms requires your consent, which the Bank will request within the framework of the individual deal.

Thanking for your co-operation, we shall remain sincerely yours,

MKB Bank Zrt.

Budapest, 27. November 2017