

AML / KYC policies

I. General Information

Name of organisation: Erste Bank Hungary Zrt.

Date established: 01.01.1987 as Mezőbank

Previous names, mergers:

1996: absorbed Agrobank Rt.

1998: name changed to Erste Bank Hungary Rt.

2004: Postbank and Savings Bank Corporation merged into Erste Bank Hungary Rt.

2006: name changed to Erste Bank Hungary Nyrt.

2011. name changed to Erste Bank Hungary Zrt.

Legal form: Publicly operating company limited by shares

Registered by: Budapest Metropolitan Court as court of registry

Registration No.: Cg. 01-10-041054

Registered office: 1138 Budapest, Népfürdő u. 24-26., Hungary

Head office: 1138 Budapest, Népfürdő u. 24-26., Hungary

Postal address: 1933 Budapest, Hungary

SWIFT Code: GIBAHUHB

Tax identification number: HU10197879

Web-site: www.erstebank.hu

Supervisory authority: Hungarian Financial Supervisory Authority

Main business line: Commercial and Retail Banking

Foreign branches or offices: NONE

Publicly traded: NOT

Major shareholder:

Directly: EGB Ceps Holding GmbH, Vienna 100,00%

Indirectly: Erste Group Bank AG, Vienna 100,00%

Members of Board of Directors:

Jelasky Radován- Chairperson, CEO; Treasury, ALM, HR, PR, Strategic Management, Accounting, Finance, Legal & Compliance, Retail Division

János Major - Corporate Division

Bernhard Spalt - Risk-management

László Pelle - IT, Back Office & Organisation

János Rudnay - external member

Frederik Silzer - external member

AML officer:

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II. General AML Policies, Practices and Procedures

	Has the country in which the FI is located established Laws designed to prevent money laundering / terrorist financing activities?	Y
	Is the FI subject to its parent's AML policy and controls?	Y
	Does the Law require FIs to have procedures for the prevention of money laundering and terrorist financing?	Y
	Does the FI have a legal and regulatory compliance program that includes a designated compliance officer that is responsible for coordinating and overseeing the AML program?	Y
	Is the AML compliance program approved by the FI's board or a senior committee?	Y
	Has the FI developed written policies documenting the processes that they have in place to prevent, detect and report suspicious transactions?	Y
	In addition to inspections by the government supervisors/regulators, does the FI have an internal and/or external audit function or other independent third party that assesses AML policies and practices on a regular basis?	Y
	Does the FI have policies covering relationships with politically exposed persons consistent with industry best practices?	Y
	Does the FI have appropriate record retention procedures pursuant to applicable law?	Y
	Does the FI require that its AML policies and practices be applied to all branches and subsidiaries of the FI both in the home country and in locations outside of the home country?	Y
	Does your FI adhere to the 40 anti-money-laundering recommendations and 9 special terrorist financing recommendations developed by the FATF?	Y
	Does the FI have policies covering relationships with Politically Exposed Persons consistent with world-wide financial services best practices?	Y

III. Risk Assessment

	Does the FI have a risk focused assessment of its customer base and transactions of its customers?	Y
	Does the FI determine the appropriate level of enhanced due diligence necessary for those categories of customers and transactions that the FI has reason to believe pose a heightened risk of illicit activities at or through the FI?	Y
	Is proper system put in place to track transactions on the basis of risk classification of countries and the FI does not enter into transactions with high risk countries?	Y

IV. Know Your Customer, Due diligence and Enhanced Due Diligence

	Do the Laws and regulations in your country prohibit FIs from opening anonymous accounts?	Y
	Has the FI implemented systems for the identification of its customers, including customer information in the case of recorded transactions, account opening, etc. (for example; name, nationality, address, telephone number, occupation, age/date of birth, number and type of valid official identification, as well as the name of the country/state that issued it)?	Y

	Does the FI have a requirement to collect information regarding its customers' business activities?	Y
	Does the FI collect information and assess its FI customers' AML policies or practices?	Y
	Does the FI have a process to review and, where appropriate, update customer information relating to high risk client information?	Y
	Does the FI have procedures to establish a record for each customer noting their respective identification documents and KYC information collected at account opening?	Y
	Does the FI take steps to understand the normal and expected transactions of its customers based on its risk assessment of its customers?	Y
	Does the FI require full details for outgoing wire transactions, i.e. sender and beneficiary names, address and account number?	Y

V. Reportable Transactions and Prevention and Detection of Transactions with Illegally Obtained Funds

	Does the FI have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?	Y
	Does the FI have procedures to identify transactions structured to avoid large cash reporting requirements?	Y
	Does the FI screen transactions for customers or transactions the FI deems to be of significantly high risk (which may include persons, entities or countries that are contained on lists issued by government/international bodies) that special attention to such customers or transactions is necessary prior to completing any such transactions?	Y

VI. Transaction Monitoring

	Does the FI have a monitoring program for suspicious or unusual activity that covers funds transfers and monetary instruments (such as traveller checks, money orders, etc.)?	Y
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VII. AML Training

	Does the FI provide periodic AML training to relevant employees that includes - identification and reporting of transactions that must be reported to government authorities, - examples of different forms of money laundering involving the FI's products and services, - internal policies to prevent money laundering?	Y
	Does the FI retain records of its training sessions including attendance records and relevant training materials used?	Y
	Does the FI have policies to communicate new AML related laws or changes to existing AML related policies or practices to relevant employees?	Y

	<p>Does the FI employ agents to carry out some of the functions of the FI and if so does the FI provide periodic AML training to relevant agents that includes</p> <ul style="list-style-type: none"> - identification and reporting of transactions that must be reported to government authorities, - examples of different forms of money laundering involving the FI's products and services, - internal policies to prevent money laundering? <p>Remark: Some functions are carried out by agents, but no AML-relevant functions.</p>	Y/N
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VIII. Correspondent Relationship

	Does the FI have policies to reasonably ensure that they will not conduct transactions with or on behalf of shell banks through any of its accounts or products?	Y
	Does the FI have policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?	Y
	Does the FI assess its correspondents' AML controls? Remark: Only if seated in countries will less strict AML rules than those of the EU.	Y
	Are all new correspondent relationships approved by a senior manager?	Y
	Does the FI allow direct use of the correspondent account or correspondent sub-account by your customers to transact business on their behalf (i.e. payable-through accounts)?	N