

Dear Customer!

In case of failure to comply with the legal obligation mentioned below, Erste Investment Ltd. (hereinafter: the Company) is **obliged to block your account**, therefore we kindly ask you to read the below notification carefully.

Financial institutions, as our Company are recipients of a legal obligationⁱ, according to which, our Company is obliged to perform a due diligence on its Customers until **26th of June, 2019**. and in case there is a lack of data, our Company is obliged to ask the Customers for providing it.

Which declaration(s) are affected from your point of view?

In line with the regulation of Section 9 of Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing the Company is required to keep records about their customers regarding the beneficial owners, however Your Beneficial Owner Declaration is incomplete or not available in our registers.

Due to the above mentioned requirement please complete and sign the attached declaration and forward it to the e-mail address KYC@ersteinvestment.hu – as a scanned document or a photo - **until 26th of June, 2019**.

The attached declaration is also available in an electronic form on the link below: http://ersteinvestment.hu/hu/TTNY_PEP_FATCA_es_CRS_informaciok.html

If you have already completed the Declaration please disregard this letter.

Thank you for your cooperation!

Yours Sincerely,

Erste Investment Ltd.

Budapest, 16 April, 2019

ⁱ Pursuant to Section 79 of Act No. LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing

DECLARATION
on the person of the beneficial owner according to Act LIII of 2017 on the prevention and combating of
money laundering and terrorist financing (AML/CFT Act)
(for companies)

I, the undersigned: I, the undersigned:
 Name: Name:
 Place and date of birth: Place and date of birth:
 Address: Address:

in the name of the following business organisation that I am acting for:

Company name/Short name: Client number:
 Seat: Branch code:
 Number of identification document:

being fully aware of my legal liability hereby declare to ERSTE Befektetési Zrt. (1138 Budapest, Népfürdő u. 24-26.; hereinafter: the Company) that, upon establishing business relation or giving transaction order with the Company in case of the company represented by myself beneficial owner(s) is/are the following person(s):

I.

	1.	2.	3.	4.
Surname and first name:				
Birth name:				
Nationality:				
Place and date of birth:				
Address (or place of residence):				
Nature of the ownership* (Please indicate the relevant code):	Code:	Code:	Code:	Code:
Extent of the ownership (If relevant):	Directly: Indirectly:	Directly: Indirectly:	Directly: Indirectly:	Directly: Indirectly:
Politically exposed person**: (Please mark X and indicate the relevant code)	<input type="checkbox"/> Yes, code: <input type="checkbox"/> No			

*Nature of the ownership shall be indicated by the following codes based on the AML/CFT Act:

Code	Denomination
1a)	proportion of the ownership / voting rights directly or indirectly at least 25%
1b)	management or controlling function
1c)	dominant influence
1d)	executive officer
1ea)	foundations - member of the managing organisation, or who has a dominant influence over at least 25% of the property
1eb)	foundations - beneficiary of at least 25% of the property
1ec)	foundations - in whose main interest the foundation is established or operates (without a beneficiary)
1f)	trust - settlor
1fa)	trust - trustee
1fb)	trust - beneficiary
1fc)	trust - management or controlling function over the assets

** Politically exposed person shall mean natural persons who are or have been entrusted with prominent public functions (above) within one year before the carrying out of customer due diligence measures:

2a)	head of State, head of government, ministers, vice-ministers, secretaries of state, in Hungary the Head of State, the Prime Minister, ministers and secretaries of state
2b)	members of parliaments or members of similar legislative bodies, in Hungary members of the Parliament and spokespersons of national minorities
2c)	members of the controlling bodies of political parties, in Hungary members and officers of the controlling body of political parties
2d)	members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal, in Hungary members of the Constitutional Court, of the Courts of Appeal and of the Supreme Court
2e)	members of the board of directors of courts of auditors or of central banks, in Hungary the Chairman and Vice President of the State Audit Office, members of the Monetary Council and the Financial Stability Council
2f)	ambassadors, chargés d'affaires and high-ranking officers in the armed forces, in Hungary the head and deputy head of the central body of organizations responsible for law enforcement, the head of the Chief of Staff of the Hungarian Armed Forces and his/her deputies
2g)	members of the administrative, management or supervisory bodies of State-owned enterprises, in Hungary managers and members of the management or supervisory bodies of majority state-owned companies
2h)	heads of international organisations, their deputies and members of the managing bodies of such organisations
3)	<i>close relatives</i> : spouse, domestic partner, biological, adopted, step- or fostered child, spouses and domestic partners of them, and adopted, step- or fostered parents of the politically exposed person
4a)	<i>close associates</i> : any natural person who is known to have joint beneficial ownership of a legal person or an organization not having a legal personality, or any other close business relations, with a person referred to in points 2a)-2h)
4b)	<i>close associates</i> : any natural person who has sole beneficial ownership of a legal person or an organization not having a legal personality which is known to have been established for the benefit of the person referred to in points 2a)-2h).

II.

Based on the Act XIX of 2014 on the agreement between the Government of Hungary and the Government of the United States of America to improve international tax compliance and to implement FATCA (FATCA Act) and according to the Act XXXVII of 2013 on certain rules of the international administrative cooperation related to taxes and other types of public duties (CRS Act), I the undersigned hereby declare that the customer business organization that I am acting for:

a) **qualifies as a U.S. taxpayer:**

- No
 Yes, tax identification number (SSN/TIN):

b) **has a tax residence in a country which is different from Hungary:**

- No
 Yes, country and tax identification number (SSN/TIN):

c) **qualifies as a Passive Non-Financial Entity*:**

- No
 Yes: (If the answer is „YES” the following table has to be fulfilled!)

	Name:	Residence for tax purposes:	TIN/SSN (in case of a country which is different from Hungary):
Beneficial owner(s)			

I, the undersigned hereby declare that the above Statement reflects the actual situation as at the time of establishing a business relation/placing a transaction order with the Company. I accept that according to the Act on the prevention and combating of money laundering and financing of terrorism, I am required to inform the Company by filling in additional Beneficial Owner Statement, whenever I act in a different manner than stipulated in the Statement upon establishing further business relations or placing a transaction order with a value over HUF 3,600,000 or an exchange with a value of HUF 300,000. I hereby commit to fulfil these requirements.

Furthermore, I hereby confirm my awareness of the rule that I am required to report to the Company within five working days any changes in my personal data or in the information which I provided in the above statement. I also acknowledge that I shall be liable for all damages that arise from my failure to fulfil these obligations.

Date/place:, /day//month/ /year/

.....
due signature
(person(s) entitled to procuration, announced at the Company)

*DEFINITIONS

The term „*Passive NFE*” means:

a) any NFE that is not an Active NFE; or
b) an Investment Entity that primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:

- trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
- individual and collective portfolio management; or
- otherwise investing, administering, or managing Financial Assets or money on behalf of other persons

and that is not a Participating Jurisdiction Financial Institution; or

c) an Investment Entity which has the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, **and** that is not a Participating Jurisdiction Financial Institution;

d) NFE withholding foreign partnership or withholding foreign trust pursuant to relevant U.S. Treasury Regulations.

The term „*Active NFE*” means any NFE that meets any of the following criteria:

a) less than 50 per cent of the NFE’s gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 per cent of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;

b) the stock of the NFE is regularly traded on an established securities market or the NFE is a Related Entity of an Entity the stock of which is regularly traded on an established securities market;

c) the NFE is organized in a U.S. Territory and all of the owners of the payee are bona fide residents of that U.S. Territory;

d) the NFE is a government (other than the U.S. government), a political subdivision of such government (state, province, county, or municipality), or a public body performing a function of such government or a political subdivision thereof, a government of a U.S. Territory, an international organization, a non-U.S. central bank of issue, or an Entity wholly owned by one or more of the foregoing;

e) substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;

f) the NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE does not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFE;

g) the NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;

h) the NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;

i) the NFE is an “excepted NFE” as described in relevant U.S. Treasury Regulations; or

j) the NFE meets all of the following requirements:

- i. it is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labour organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
- ii. it is exempt from income tax in its jurisdiction of residence;
- iii. it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- iv. the applicable laws of the NFE’s jurisdiction of residence or the NFE’s formation documents do not permit any income or assets of the NFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFE’s charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFE has purchased; and
- v. the applicable laws of the NFE’s jurisdiction of residence or the NFE’s formation documents require that, upon the NFE’s liquidation or dissolution, all of its assets be distributed to a Governmental Entity or other non-profit organization, or escheat to the government of the NFE’s jurisdiction of residence or any political subdivision thereof.