

STATEMENT RELATING TO RISKS IN CONNECTION WITH TITLE TRANSFER COLLATERAL ARRANGEMENTS

This Statement has been prepared to comply with Subsection (15) of Section 57 of the (Hungarian) Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities, concerning the duty of investment firms to inform professional clients and eligible counterparties on the risks involved and the effects of any title transfer collateral arrangement on the client's financial instruments and funds.

This Statement relates only to the risks involved and the effects of any title transfer collateral arrangement and does not address any other risks or consequences that may arise as a result of your particular circumstances or as a result of the terms of a particular transaction or agreement.

This Statement is not intended to be, and should not be relied upon as, legal, financial, tax, accounting or other type of advice.

This Statement is provided for information purposes only and does not amend or supersede the express terms of any transaction, agreement, title transfer collateral arrangement or any rights or obligations you may have under any Applicable Law, create any rights or obligations, or otherwise affect your or our liabilities and obligations.

Where you provide financial instruments and funds to us under a title transfer collateral arrangement, we draw your attention to the following risks:

- 1) any rights, including any proprietary rights that you may have had, in the financial instruments and funds will be replaced by an unsecured contractual claim for the return of funds subject to the terms of the relevant Collateral Arrangement;
- 2) the provision of title transfer collateral to us, our exercise of a right of use in respect of any financial collateral provided to us by you, the return of financial instruments and funds may give rise to tax consequences that differ from the tax consequences that would have otherwise applied in relation to the holding by you or by us for your account of the financial instruments and funds;
- 3) in the event of our insolvency or default under the relevant agreement your claim against us for the return of the financial instruments and funds will not be secured

will be subject to the terms of the relevant Collateral Arrangement and applicable law and, accordingly, you may not recover the full value of your financial instruments and funds (although your exposure may be reduced to the extent that you have liabilities to us which can be set off or netted against or discharged by reference to any obligation to return funds to you under the Collateral Arrangement);

- 4) a transfer of assets or liabilities may result in your claim on us, or our claim on you, being transferred to different entities although you may be protected to the extent that the exercise of resolution powers is restricted by the availability of set-off or netting rights under the relevant agreement.

DEFINITIONS

"Agreement" means any agreement between you and us pursuant to which a Collateral Arrangement arises or may arise.

"Applicable Law" means:

- a) the rules of a relevant regulatory authority as applicable; and
- b) in respect of each party, all other laws, rules, regulations and orders of governmental bodies or regulatory agencies, applicable to such party as in relation to the services under the Agreement, and orders of any court or arbitrator in proceedings to which a party is a party or to which it or its assets are subject.

"Collateral Arrangement" means a title transfer collateral arrangement under which a collateral provider transfers full ownership of financial collateral to a collateral taker for the purpose of securing or otherwise covering the performance of relevant financial obligations.