



National Deposit
Insurance Fund
of Hungary

COMPASS TO DEPOSIT INSURANCE

SAFE DEPOSIT, GRANTED REFUND.

2013

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DEFINITION OF TERMS

ABOUT DEPOSIT INSURANCE IN GENERAL

1. What is deposit insurance, and why is it important to you?

The function of deposit insurance is to protect depositors.

Another key function of deposit insurance is to protect the country's financial stability through keeping up the public trust of depositors to the national banking system.

If a credit institution becomes insolvent, i.e. it is unable to pay its depositors' savings (i.e. deposits are frozen), NDIF pays compensation to depositors. The amount of such compensation is defined by law, and is specified per depositor and consolidated by credit institution.

Three major points in the functioning of insurance by NDIF:

- In the event credit institutions become insolvent, NDIF pays compensation on registered deposits (which contain depositor data) within twenty working days.
- The upper limit of payment is defined by law to be EUR 100 000, the payment is made in Hungarian forints calculated at the foreign currency rate valid on the day preceding the start date of compensation.
- The NDIF insurance is valid for each credit institution respectively. What it means is that if a client deposits money in multiple banks, they are insured in each bank up to the limit defined in law.

2. Who are in the deposit insurance system?

Deposits can only be accepted by credit institutions, and credit institutions domiciled licenced in Hungary are required to join the system of Hungarian deposit insurance. Consequently, all deposits kept with any credit institution in Hungary enjoy NDIF's protection. Credit institutions include banks, savings cooperatives, home savings banks and credit cooperatives (in this information brochure, these all will be referred to as banks, for brevity's sake).

Please note: In Hungary, it is not exclusively credit institutions under NDIF's insurance that are permitted to accept deposits. See the chapter Cross-border deposit insurance concerning this issue.

3. Whose money is protected?

Protection by NDIF applies to everyone - with the exceptions listed in the law (e.g. investment funds, insurance institutions, local governments) who places a registered deposit in a bank in Hungary, or buys a bond or certificate of deposit issued by a bank after 1 January 2003.

Protection includes deposits of private individuals, enterprises, associations, foundations, sole entrepreneurs etc., deposit escrow accounts, including nationals living abroad and foreigners. The important point is that only registered deposits that are identifiable from the bank's register or a deposit certificate are insured, i.e. the ones that have clearly identifiable owners. Please note that as of 19 December 2001, only registered deposits are permitted, and sight deposits made earlier are required to be converted into registered deposits on the first presentation of their respective deposit certificates.

If someone has made deposits with the same bank both as a private individual and on behalf of a business entity, the two deposit types are insured separately and independently.

Please note:

For a detailed explanation to the compensation limit defined in EUR, see section 12. In the examples below, the compensation limit of EUR 100,000 referenced in section 12 will be taken to be equivalent to HUF 28,000,000 for simplicity's sake (assuming a HUF / EUR exchange rate of 280).



Example: Private individual and business entity

Thomas Smith		
Retail current account	HUF	880,000
Interest	HUF	20,000
Total:	HUF	900,000
Amount payable by NDIF:	HUF	900,000

Smith and Partner Ltd.		
Corporate current account	HUF	31,540,000
Interest	HUF	60,000
Total:	HUF	31,600,000
Amount payable by NDIF:	HUF	28,000,000
Amount not payable by NDIF:	HUF	3,600,000

Sole entrepreneurs defined by law are legally distinct from private individuals, i.e. the bank accounts and deposits of a person's household and sole enterprise are considered as separate deposits – from the aspect of deposit insurance -, and in the event the bank becomes insolvent,

NDIF pays compensation separately on the said deposits up to the valid limit, respectively.

If the deposit owner is a minor (under age of 18), the deposit is certainly managed by their parents, guardians, etc. Such deposits are also insured in their own right – to the benefit of the minor –, even if, for instance, the parents also have deposits with the same bank under their own names.

Please note: The insured is always the deposit owner, i.e. the person that the deposit is registered for, and not the one authorised to have control over the disposal of the account (see sections 15 and 17).

4. Who bears the costs of deposit insurance?

Clients need not pay a premium for insurance. Operations of NDIF and the assets used on compensation are covered by the yield from investing it and from payments by banks. In addition, NDIF can also borrow loans to comply with its duties. Payment of money due the depositors under legal requirements cannot have financial obstacles: if necessary, NDIF's borrowings are guaranteed by the Hungarian state.

5. How does the domestic system of deposit insurance function?

Up to 1993, retail and foreign currency deposits were guaranteed by the state. Upon foundation of National Deposit Insurance Fund (NDIF), this responsibility was transferred to an independent institution of deposit insurance as of mid 1993, but the deposits made prior to the foundation of the NDIF are still covered by state guarantee – until such deposits are withdrawn.

The Hungarian deposit insurance system and the National Deposit Insurance Fund operating it were established by Act XXIV of 1993, and are currently regulated by Act CXII of 1996 as amended from time to time. This act provides for regulation of credit institutions in Hungary – in line with the practice in the European Union –, with the protection of depositors' money as its primary goal. Credit institutions' compliance with the rules required by law is strictly and regularly audited by the Hungarian Financial Supervisory Authority (HFSÁ).

The NDIF is directed by an independent Board of Directors. Its financial management is audited by the State Audit Office, which reports its findings to the Hungarian Parliament. The National Deposit Insurance Fund (NDIF) is not an authority, but it holds all the necessary

information in order to fulfil its functions. The NDIF is operated from the mandatory and regular payments made by member institutions and from the yield of the assets accumulated in this way. In addition, it may order extraordinary fee payment in order to compensate depositors, or may borrow loans – with state guarantee.

INSURING DEPOSIT TYPES

6. What is protected?

Protection under the domestic deposit insurance covers registered bank deposits made in banks limited in Hungary, or in foreign branches thereof, irrespective of fixing (deposit certificates, deposit accounts, current accounts bank accounts), as well as bonds and certificates of deposit issued by the bank after 1 January 2003. (For simplicity's sake, the above forms of savings - where differences are not relevant – will be hereinafter referred to as deposits.)

Please note that NDIF's insurance service only covers its member institutions, i.e. savings and credit cooperatives, home savings banks and banks, as well as foreign branches thereof, but the latter only in case it is permitted by the regulation in the host country.

Beware! As indicated above, only banks are permitted to collect deposits and it only banks that can act as member institutions of NDIF or foreign deposit insurance institutions. Certificates of deposit can only be issued by credit institutions, whereas bonds may be issued also by e.g. local governments and business entities, in addition to credit institutions. The condition of being insured for deposits is to be registered, for bonds and certificates of deposit, beyond that; it is to be issued by a credit institution after 1 January 2003.

7. What is not protected?

All that glitters is not gold; all that bears interest is not necessarily protected; all bank clients are not necessarily protected. Multiple banks offer forms of savings that are unprotected, such as savings in voluntary pension funds, interest bearing shares, cooperative proprietary share, and investment trust shares.

Moreover, deposit insurance does not protect bonds and certificates of deposit issued by banks before 1 January 2003, either. NDIF's insurance does not cover, for example, investment notes of open or closed ended investment funds, purchased mostly from banks.

8. Is only Hungarian forint protected, or also foreign currencies?

Domestic deposit insurance also covers deposits denominated in Euro or in the currency of one of the member states of OECD (Organisation for Economic Cooperation and Development), in addition to those in Hungarian forints. Protected foreign currency deposits are repaid by NDIF in the official currency of the country.

Please note: If on depositing foreign currency or foreign currency cash, you have any doubt concerning deposit insurance, contact the bank officer. For a list of OECD member states, see the home page www.oecd.org.

9. What is considered as a registered deposit?

Among deposits, the ones whose deposit owner is clearly identifiable from the document received on placing the deposit (passbook, bank account or current account contract, etc.) and from the bank's registration are considered as registered deposits. (Concerning this issue, the contents of section 24 is referred to.)

Please note: The fact that a form of savings is registered, does not necessarily mean it is insured. A share can also be registered, and – as we have seen – it is not insured by NDIF. Similarly, NDIF does not insure registered bonds and certificates of deposit issued by the bank prior to 1 January 2003.

10. It looks like a security. Can it be insured?

In addition to registered deposits, deposit insurance also covers security-like deposit certificates, or, as more popularly referred to, bank papers issued by banks after 1 January 1997, provided, of course, that they are also registered.

In order to eliminate misunderstandings, the law requires banks - for the protection of depositors - to conspicuously indicate on security-like deposits traded after 1 January 1997 that they represent savings deposit contracts, meaning that they enjoy NDIF's protection.

Please note: NDIF's insurance also includes bank bonds and certificates issued after 1 January 2003.

11. Which of the passbooks opened and the bank papers purchased at post offices are protected?

Multiple bank papers, as well as government bonds are available at post offices. Post offices mostly trade such papers on commission.

Government bonds are guaranteed by the state. Bank papers, as seen already, enjoy deposit insurance if they are registered.

However, the Post Office can accept commissions not only from the state and banks, but also from others. The measure of security in these cases is not the post office but the one giving the commission and issuing the papers. Beyond post offices, others, such as travel agencies also offer bank papers and other forms of savings. It is also valid in such cases that for cautious savers it is the insurance covering the party giving the commission instead of that the distributors that is important. In such cases, increased attention and more thorough information is recommended.

THE INSURANCE LIMIT

12. What does insurance limit mean?

NDIF pays compensation on the principal and interest of frozen deposits up to the HUF equivalent of EUR 100 000 (one hundred thousand).

The compensation limit is defined by the law in EUR, the payments are made in HUF (see section 7). If compensation is paid, the amount payable to the depositor is calculated by converting the EUR 100 000 to HUF, using the exchange rate valid as at the date preceding the compensation start date, and the compensation on the depositor's deposits is paid up to the HUF amount calculated in this way.



Please note:
The Euro exchange rate shown in the example below represents an *assumed* amount, and is only used for the purposes of this calculation. For actual payments, NDIF uses the currently valid exchange rate.

Example:

HUF deposits of Thomas Smith:

Savings deposit	HUF 27,980,000
Interest	HUF 820,000
Total:	HUF 28,800,000

Central bank (NMB) exchange rate **assumed** by NDIF: 280 HUF/EUR
 Compensation limit in EUR: EUR 100,000
 Compensation amount in HUF:
 EUR 100,000 x HUF 280 = HUF 28,000,000

Of the HUF deposits of Thomas Smith:

Payable by NDIF
 as compensation HUF 28,000,000
 Not payable by NDIF: HUF 800,000

It is a frequent misunderstanding to interpret the insurance limit to be paid by NDIF as the HUF equivalent of EUR 100 000 from the deposit amount and – in addition to that – the contractual interest due on that amount. Another fallacy is that only the deposit amount, i.e. the principal is protected, whereas the interest due is not.

This is not so! Pursuant to the law, the limit is the maximum amount that can be paid by NDIF to a bank client. That includes the principal amount paid to a current account, fixed-term deposits, any bank papers purchased, bonds secured, etc. as well as any interest due on these. What NDIF does, then, is to add up all principal and interest receivables of the depositor client – from the insolvent bank –, however, the amount payable is maximised in line with the current limit.

At this point, let us refer again to the fact that sole entrepreneurs are legally distinct from private individuals, i.e. the bank accounts and deposits of a person's household and sole enterprise are considered as separate deposits – from the aspect of deposit insurance –, and in the event the bank becomes insolvent, NDIF pays compensation separately on the said deposits up to the valid limit, respectively.

13. Does co-insurance apply to deposit insurance?

No.

14. Can the deposit insurance limit be increased? What is considered as a joint deposit?

According to the principle mentioned above, the insurance is applicable to persons and banks meaning that there are two options to increase the deposit insurance protection:

- to use multiple banks
- to increase the number of deposit owners

Important: Persons, other than owners or co-owners, authorised to have disposal right of the deposit are not entitled to compensation.

If a private individual or an enterprise deposits their money in multiple banks, the compensation limit is increased by an additional limit amount per bank.

If a deposit has multiple registered and identifiable owners – for example, family members –, the deposit is protected up to the number of times EUR 100 000 as many owners the deposit have.

If a deposit owned by multiple owners, it is termed as a *joint deposit*. The deposit insurance system, unless depositors order otherwise, does not distinguish the deposit owners, considering them equal, irrespective of the amounts actually added by each to the deposit. In such cases, owners receive equal shares of the amount payable to them.



Please note:

For a detailed explanation to the compensation limit defined in EUR, see section 12. In the examples below, the compensation limit of EUR 100,000 referenced in section 12 will be taken to be equivalent to HUF 28,000,000 for simplicity's sake (assuming a HUF / EUR exchange rate of 280).

Example: a joint deposit above **EUR 100,000 = HUF 28,000,000** per person

<i>Mr. Thomas Smith and Mrs. Thomas Smith</i>	
Savings deposit	HUF 63,490,000
Interest	HUF 110,000
Total:	HUF 63,600,000
Payable by NDIF, per person:	HUF 28,000,000
Not payable by NDIF	HUF 7,600,000

Example: a joint deposit with a total value below HUF 28 million

<i>Mr. Thomas Smith and Mrs. Thomas Smith</i>	
Savings deposit	HUF 22,150,000
Interest	HUF 50,000
Total:	HUF 22,200,000
Per person:	HUF 11,100,000

Please note: A joint deposit may be a disadvantage to the depositor if they have another deposit – of sole ownership - with the same bank. This is because the amount paid by the NDIF on the joint ownership is included in the limit payable to the client, which means that

they may not receive the full amount on either the joint deposit or their own deposit.



Please note:

For a detailed explanation to the compensation limit defined in EUR, see section 12. In the examples below, the compensation limit of EUR 100,000 referenced in section 12 will be taken to be equivalent to HUF 28,000,000 for simplicity's sake (assuming a HUF / EUR exchange rate of 280).

Example: a private deposit and joint deposit

Thomas Smith

Fixed-term deposit	HUF	27,970,000
Interest	HUF	30,000

Mr. Thomas Smith and Mrs. Thomas Smith

Joint current account	HUF	2,270,000
Interest	HUF	30,000
Total:	HUF	30,300,000

The amount payable per person:

Thomas Smith

Fixed-term deposit	HUF	27,970,000
Interest	HUF	30,000
Joint current account	HUF	1,135,000
Interest	HUF	15,000
Total:	HUF	29,150,000
Payable by NDIF:	HUF	28,000,000
Not payable by NDIF:	HUF	1,150,000

Mrs. Thomas Smith

Joint current account	HUF	1,135,000
Interest	HUF	15,000
Total:	HUF	1,150,000
Payable by NDIF:	HUF	1,150,000

The same deposits with a single owner:

Thomas Smith

Fixed-term deposit	HUF	27,970,000
Interest	HUF	30,000
Total:	HUF	28,000,000
Payable by NDIF:	HUF	28,000,000

Mrs. Thomas Smith

Current account	HUF	2,270,000
Interest	HUF	30,000
Total:	HUF	2,300,000
Payable by NDIF:	HUF	2,300,000

15. What counts as a collective deposit?

A *collective deposit* is a term distinguished from joint deposit.

In case of collective deposits, the compensation limit is multiplied in line with the number of persons constituting the community (e.g. condominium, housing co-operatives), but no obligation applies to aggregate the deposits – with the private deposits of the persons constituting the community. I.e., if a person has a deposit with the same bank as the condominium where the same person is an owner, the said person is entitled to compensation on their own deposit (or deposits) up to the HUF equivalent of EUR 100 000, and the condominium is also entitled to a compensation up to the HUF equivalent of EUR 100 000 in respect of the same person.



Please note:

For a detailed explanation to the compensation limit defined in EUR, see section 12. In the examples below, the compensation limit of EUR 100,000 referenced in section 12 will be taken to be equivalent to HUF 28,000,000 for simplicity's sake (assuming a HUF / EUR exchange rate of 280).

Example:

Condominium with 10 owners

Bank account	HUF	240,000,000
Interest	HUF	200,000
Total:	HUF	240,200,000

Per owner

Principal	HUF	24,000,000
Interest	HUF	20,000
Total:	HUF	24,020,000
Payable by NDIF:	HUF	24,020,000
Not payable by NDIF:	HUF	0

The compensation due the condominium is HUF 240,200,000.

16. Are proxy holders entitled to compensation?

If someone is registered as a proxy holder to the deposit – or, in the terminology used in the law, as “an authorised representative” – after 1 January 1997, it does not represent ownership in terms of deposit insurance. Such proxy holders are not entitled to compensation (as they are not owners of the deposit), which means that the deposit protection limit cannot be increased on their behalf.

17. Does the insurance limit also apply to deposits in foreign currency?

The limit is also applicable to deposits in foreign currencies, for which NDIF converts the depositor's receivables to HUF, using the foreign exchange rate valid on the date preceding the compensation start date, as published by the National Bank of Hungary (NBH).

Please note: Depositors' deposits held in HUF and in foreign currencies in the same bank are aggregated on compensation and the HUF equivalent of EUR 100 000 is payable in compensation as the maximum.

INSURING INTEREST

18. Are interests protected by deposit insurance?

Yes, protection covers the deposit principal and any non-capitalised (in banking terms: credited) interest, certainly, within the limit amount.

If the amount of the capital and interests are altogether is over the coverage limit, the NDIF first pays out the capital than the interests up to the coverage limit. Certainly withholding tax withdrawn from the amount of the interests.

19. How much interest is paid on deposit insurance if the interests due under the deposit contract have not been credited yet? Is anything deducted from the interest (interest tax)?

After the deposits are frozen, the banking licence withdrawn, or the liquidation of the bank is announced, NDIF is required to complete paying deposits within 20 business days. In addition to the principal, NDIF also pays any contractual interest calculated up to the start date listed previously to the depositors. Please be reminded that the limit cannot be exceeded, not even with interests added. Interest is subject to interest tax in line with the relevant provisions of law.

20. Does NDIF protect any high interest deposits?

Legislators sought to reduce the possibilities of abuse. If a depositor receives significantly higher interest or other pecuniary benefits compared to the interest announced by the bank on the same amount and fixing period, NDIF does not cover such deposits. "Significantly higher interest" means not one or two percent but considerably higher than publicly announced in the bank's terms and

conditions. In NDIF's practice, examples have been seen for excluding deposits with an interest 100% higher than the interest rate publicly announced by the bank.

CROSS-BORDER DEPOSIT INSURANCE

21. Is my deposit protected in an EU bank in Hungary or in other countries in the European Union?

Yes, it is; however, not necessarily under the same conditions. Within the EU, the mandatory minimum service in terms of deposit insurance is laid down in an EU regulation. Accordingly, differences in both directions may be seen in the deductibles or the insurance limits compared to the Hungarian rules. Deposits made in banks registered in the territory of the EU are insured by the respective national deposit insurance institution established in the country of foundation. Such protection includes all EU member states where the said bank accepts deposits. For example, deposits accepted by a Hungarian branch of a bank registered in Austria will be insured by the Austrian deposit insurance institution, whereas the deposits accepted by an Austrian branch of a bank registered in Hungary are insured by NDIF.

22. On depositing money, is it possible to encounter a deposit insurance with conditions different from those of the Hungarian deposit insurance?

It is possible, that's why NDIF emphasises the importance of inquiring about the conditions of deposit insurance *before depositing money*.

PRACTICAL ISSUES

23. What data should be disclosed by the depositors to their banks in order to enable enforcement and implementation of the insurance?

Pursuant to the law against money laundering, banks are required to identify their clients, and to record certain data defined in the law. No more data than that is necessary for enforcing deposit insurance.

Please always report any change in your data, such as residential address. If you fail to report changes, you still remain entitled to compensation; however, you may receive your money later due to more difficult data processing and verification.

Please note: As of 19 December 2001, no deposits are permitted without the depositor's identification data. Pursuant to the law against money laundering, the bank is required to record the prescribed data on accepting the deposit, or on the first presentation of earlier sight deposits.

24. After deposits are frozen, what are clients to do in order to be reimbursed as soon as possible?

In addition to the bank, NDIF also has an obligation to inform depositors. In line with the practice accepted so far, the daily press and NDIF announcements are used to provide information on when and according to what rules payments are commenced.

25. How soon are the insured paid?

NDIF commences payments after the deposits are frozen, the banking licence withdrawn, or the liquidation of the bank is announced, and completes then within 20 working days. Within this deadline, NDIF is to pay all justified claims filed. In justified cases, the period of compensation may be extended by 10 working days on one occasion. We repeat: payment may have no financial obstacles.

Pursuant to the law, NDIF complies with such payments in the most reasonable and fastest way. For example, by using "NDIF Deposit Insurance Cards", by bank transfer, by mail, direct payment or on commission of a payment agent – e.g. a bank. The payment methods are in all cases published in NDIF's announcements.

26. Do deposit insurance claims have a limitation period?

Claims from deposit insurance may be filed as long as the original claim would have been enforceable against the bank. Savings deposits, for instance, do not have a limitation, whereas other deposit claims – unless a different term is laid down in the contract – remain valid for five years. Certificates of deposit have a limitation of ten years following the deadline specified for redemption, and any receivables based on bonds do not have a limitation. Out of certificates of deposit and bank bonds, only the ones issued after 1 January 2003 are insured.

27. Beyond this publication, where can I find information on what is insured and what is not?

Bank branches

Banks are required to provide information about deposit insurance especially about the kind of

deposits are protected. It is, also compulsory to provide written information, to the depositors.

Single Customer View

From 2011 January 1 banks are required to provide least once in a year with no charge) about their total insured deposits. It is in written format prescribed by NDFI and it can be provided in the bank branch or via mail or email. It is important to know that, if you ask about such information bank is obligated to provide you with accurate and detailed information.

Consumer protection logo



From 1 March 2012, banks are obligated to place the consumer protection logo of NDIF on the information materials of all insured deposits. If you see the logo you can be sure the deposit is protected by deposit insurance up to EUR 100 thousand.

Facebook, Twitter

If you want to follow recent news of deposit insurance it is easy to visit our social media platforms, on Facebook (www.facebook.com/betetvedelem) or on Twitter (@Betetbiztositas).

Website

NDIF's Internet home page offers a thematic categorisation on the subject of deposit insurance to depositors and interested professionals at www.NDIF.hu.

In case of a payout case all the specific information is highlighted on the website.

Voice Service

NDIF also helps depositors informing about the issues of deposit insurance by running the NDIF Voice Announcement (recorded messages on certain topics) at the phone number

+36 (40) 918-918. It is good to know that in the event a bank becomes insolvent, the voice announcements include actual information about frozen deposits. The Voice Service is available only in Hungarian. If you are English speaker, we kindly ask you to visit our website or call us directly.

28. Where can I turn to if the bank provides no answers to my questions of deposit insurance concerning my deposit?

In order to reinforce depositors' trust in banks, NDIF has established the institution of an Internet-based deposit insurance ombudsman for the protection of depositors' interests. Unlike the similar institutions known so far, the "deposit insurance ombudsman" does not appear as an existing person. Depositors can send electronic mail to the Internet-based to the address ombudsman@oba.hu, or traditional mail to the address H-1535 Budapest 114. P.O. Box 793 on subjects listed below, which are processed and assisted by the NDIF's staff.

The "deposit insurance ombudsman" agrees to provide unbiased and correct solutions to any client problems – related to deposit insurance – encountered by a credit institution and its client. The "deposit insurance ombudsman" pays special attention to comply with the rules of secrecy in any circumstances.

What specific help can you expect from the ombudsman? By virtue of their independence and impartiality, the ombudsman may agree to cooperate in seeking solutions acceptable to the parties, concerning a specific problem. In the course of this, they may contact the bank concerned, if necessary, or may involve the HFSA in developing proposed solutions, considering the circumstances of the case.

Request involvement of the ombudsman if you have received no adequate information from the credit institution to your questions concerning deposit insurance or state guarantee, either verbally or in writing.

In the event the "deposit insurance ombudsman" cannot directly help you, they will tell you which organisation to turn to with your case.

What is out of the "deposit insurance ombudsman's" competence?

- They cannot agree to carry out detailed investigations, except for cases that infringe customer interests in the broad sense.
- They are not competent in any question that belongs to the competence of credit institution heads.
- They are not competent to act in an established crisis, or in case of frozen deposits. In such cases, the duties of the HFSA and/or the Fund are prescribed by the relevant laws.

- Finally, they are not suitable to resolve cases where a legal act is in progress, or ones in foreclosure.

DEFINITION OF DEPOSIT INSURANCE TERMS

Deposit:

means a liability created by virtue of a deposit contract or a savings deposit contract as per the Civil Code, including the positive balance of a bank account pursuant to a bank account contract, as well as certificates of deposit and bonds issued by a bank after 1 January 2003.

Registered deposit:

a deposit where the owner can be clearly identified from the identification data specified in the deposit contract, the savings deposit contract or the bank account contract.

Depositor:

means the person in whose name the deposit is registered, or - solely in respect of bearer deposits – the bearer of the deposit certificate.

Authorised representative:

an owner of the deposit, or, if not an owner, then a person duly authorised by the owner to control over the disposal of the deposit, with or without restrictions.

Beneficiary:

an owner of the deposit or a person designated as a beneficiary by the owner to the credit institution in writing.

Joint deposit:

any deposit, other than a collective deposit, that has more than one owner.

Collective deposit:

deposits of condominiums, housing co-operatives, school savings associations, building associations.

Frozen deposit:

a deposit for which the credit institution is unable to make payments within five business days of the due dates stipulated by law or as required by the contractual conditions.

Person entitled to compensation:

the depositor. Deposits where the contractual terms and conditions provide otherwise are an exception. Persons other than owners or beneficiaries of the deposit, authorised by the deposit owner to control over the disposal of the deposit at the time when the deposit is frozen – irrespective of the inception of their authorisation – are not considered as persons entitled to compensation.

Warning

This publication is an extract of the current rules of deposit insurance, consequently, it is for purposes of information only. In the event of any difference between the interpretations of information contained herein and legal requirements, the current provisions of law are normative.

The system of deposit insurance decreases clients' risk of banks, savings cooperatives and credit cooperatives, as well as home savings banks.

That, however, does not mean full security, as the membership of the deposit insurance system consists exclusively of institutions raising deposits.



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The OBA free mobile application is a fast and easy-to-use tool via smartphone to check your saving weather it is protected or not. In order to download the application, please read the below QR code by your QR code reader.

App
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