



Information about CRS

In October 2014 Hungary committed to applying the multilateral Competent Authority Agreement and Common Reporting Standard (hereinafter referred to as: "CRS") on the automatic exchange of financial account information, developed by the OECD. Thereafter, the Council of the European Union prescribed the application of certain rules similar to CRR's in the form of a directive (Council Directive of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (hereinafter referred to as: "DAC2")).

Jurisdictions committed to the application of CRS (hereinafter referred to as: "Participating Jurisdictions") are listed in **Annex 1 to Act CXC of 2015** on the Promulgation of the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information.

The DAC2 has been implemented into the Hungarian legal system by **Act XXXVII of 2013** on Certain Rules of International Public Administration Cooperation Related to Taxes and Other Public Duties (hereinafter referred to as: "Tax Cooperation Act", or "TCA").

According to the provisions of TCA:

- as of January 1st, 2016 each new client of Deutsche Bank AG Hungary Branch (hereinafter referred to as: "Bank") has to submit a tax residency self-certification as provided for by TCA. The self-certification is essential for the Bank to determine whether any data in relation to the client or the account held by it ("Reportable Account") shall be reported directly to the Hungarian Tax Authority and thus indirectly to the Participating Jurisdictions. New client means a client who did not hold any active payment account or securities account (hereinafter together referred to as: "Account") with the Bank on December 31st, 2015 or wishes to open a new Account with the Bank and the information obtained by the Bank in connection with the previous account opening is not sufficient to establish the client's residence for tax purposes. Those clients who refuse to provide the information necessary to establish their residence for tax purposes, the Bank will not enter into a client relationship with or open new Account for. If it comes to the Bank's knowledge or it has a reason to believe that the original self-certification is incorrect or unreliable, it can request a new valid self-certification from the client.
- As of January 1st, 2016 the Bank performs due diligence on all clients who already held an account with the Bank on December 31st, 2015, in order to establish their residence for tax purposes and determine whether the Account held by the client shall be deemed as Reportable Account.
- The Bank is obliged to report until June 30th each year (first in 2017) with regard to the last day of the previous calendar year as reporting period, or in case the account was closed during such year, the previous day of the day of closure, certain data about the Reportable Accounts as well as their account holders and Controlling Persons whose residences for tax purposes are in a Participating Jurisdiction, to the National Tax and Custom Administration Authority of Hungary (hereinafter referred to as: "Hungarian Tax Authority") which will forward these data to the competent authorities of the Participating Jurisdictions until September 30th of the same year. Those clients who refuse to provide information about or do not cooperate in the establishment of their residences for tax purposes will be also reported to the Hungarian Tax Authority. The Bank will inform the client about the fact of reporting to the Hungarian Tax Authority in writing within 30 days from the date thereof.