

## INFORMATION ON DEPOSIT GUARANTEE & INVESTOR COMPENSATION

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Due to legal provisions of the Austrian Act on Deposit Guarantee and Investor Compensation (ESAEG), every credit institution that accepts deposits or provides investment services is obliged by law to be a member of a deposit guarantee scheme.

As an Austrian bank, DenizBank AG is without restriction subject to the Austrian regulations on deposit guarantees and investor compensations (ESAEG and BWG 2018). DenizBank AG is a member of the statutory protection scheme *Einlagensicherung AUSTRIA Gesm.b.H.* (ESA).

### 1. DEPOSIT GUARANTEE

Deposits of natural and non-natural persons are secured with a maximum amount of EUR 100,000 per depositor and per credit institution. For certain cases, so-called "time-limited covered deposits" an application can be made to the protection scheme within 12 months of the occurrence of the protection event for the deposit to be refunded up to an amount of EUR 500,000. This includes, for example, deposits from real estate transactions of privately used residential property; payments of insurance benefits or compensation due to criminal acts; deposits fulfilling purposes provided for by law - more detailed information can be found on the homepage of the deposit protection scheme [www.einlagensicherung.at](http://www.einlagensicherung.at).

Deposit insurance applies per customer (depositor), not per account. In the case of a jointly managed account, each (legitimate) account holder is therefore in principle entitled to compensation. In principle, a 1:1 allocation is assumed for the allocation of credit balances on joint accounts. However, the account holders are free to provide the bank with a written arrangement that deviates from the 1:1 allocation even before the occurrence of a collateral event. In the event of a collateral event, the distribution key selected shall then be used for the allocation.

Deposits in an account over which two or more persons may dispose as partners in a general partnership, a limited partnership (KG), a civil-law partnership (GesbR) or a partnership corresponding to these forms of partnership under the law of a Member State or a third country shall be aggregated for the purpose of calculating the maximum amount and treated as the deposit of one depositor. This shall apply in the same way to credit balances and other claims arising from securities transactions.

### 2. INVESTOR COMPENSATION

Under Austrian law, securities must be returned to the investors by the credit institution concerned in the event of the insolvency of the custodian bank. Since the securities are merely held in safe custody by the custodian bank, the

Customer, as the owner of the securities in the insolvency proceedings, can file an application to have the securities segregated.

Monetary claims arising from investor compensation are secured by a maximum of EUR 20,000 for both natural persons and legal entities. However, claims by non-natural persons are limited to 90% of the claim arising from securities transactions per investor and per credit institution.

### 3. DIFFERENCE BETWEEN DEPOSIT GUARANTEE & INVESTOR COMPENSATION

All types of deposits or credit balances credited to accounts or savings accounts (e.g. salary accounts, savings accounts, time deposits, etc.) at credit institutions are normally covered by deposit insurance.

Returns from securities settlement (dividends, sales revenues, coupon payments, repayments, etc.) are protected as deposit of a customer account within the framework of the Deposit Guarantee up to a maximum amount of EUR 100,000.00. In particular, the Investor Compensations are subject to the following demands of the investor against the credit institution:

- Administration and custody of securities (custody business);
- Trade of the credit institution with financial market instruments;

#### Different Payment Deadlines

- in case of Investor Compensation within 3 months;
- in case of Deposit Guarantee within:
  - o 20 working days (until 31/12/2018);
  - o 15 working days (between 01/01/2019 and 31/12/2020);
  - o 10 working days (between 01/01/2021 and 31/12/2023); and
  - o 7 working days (as of 01/01/2024).

#### Application

In the event of the guarantee claim, the guarantee scheme shall refund the covered deposit without the need of an application by the investor (exception: investor compensation and temporarily limited covered deposits acc. to Art. 12 of ESAEG).

### 4. EXCEPTIONS FROM THE DEPOSIT GUARANTEE

The exceptions from the deposit guarantee are stated in simplified form below. The statutory provisions acc. to Art. 10 para 1 of ESAEG apply.

The following are not covered:

- Debt securities of credit institution (e.g. loans for residential purposes, medium-term bonds, mortgage bonds, etc.). In case of bankruptcy of the issuing bank, you will be served in accordance with the terms and conditions (e.g. primarily from separated cover assets such as covered bonds or with the dividends in bankruptcy or subordinately after satisfaction of the other creditors).
- Own capital components of the bank.
- Deposits, for which the identity of the holder by the occurrence of protection claim has never been identified, unless the holder takes such action within 12 months after the occurrence of a deposit guarantee case.
- Deposits connected with money laundering in any form.
- Deposits from credit institutions or financial institutions or investment companies and institutional investors such as insurance companies, investment companies (funds), pension and retirement funds ("Pensions- and Vorsorgekassen").
- Deposits of federal, state and local as well as comparable foreign authorities.

## 5. EXCEPTIONS FROM THE INVESTOR COMPENSATION

The exceptions from investor compensation are stated in simplified form below. The statutory provisions acc. to Art. 47 para. 2 of ESAEG apply.

The following are not covered:

- Claims not denominated in Euros, Schilling, ECU or any other currency of an EEA Member State. With the exception of claims from securities transactions in financial instruments in accordance with Art. 1 No. 7 WAG 2018
- Claims of companies that qualify as large companies according to Art. 221 para. 3 of the Austrian Commercial Code (UGB).
- Claims, for which the identity of the holder by the occurrence of protection claim has never been identified, unless the holder takes such action within 12 months after the occurrence of a protection claim.
- Claims in connection with money laundering in any form.
- Claims of Austrian federal government, provinces and municipalities and of comparable foreign territorial authorities.
- Claims of persons close related to the credit institution, such as members of the Management Board, the Supervisory Board, personally liable partners, auditors of the bank and persons holding at least 5% of the bank's capital, even if those persons

hold offices in affiliated companies of the bank (except where minor stakes are concerned). In addition, close relatives of bank related parties and third parties are excluded from the guarantee, if these close relatives or third parties act on behalf of bank related persons.

We refer to the legal provisions of ESAEG and BWG 2018 on deposit guarantee and investor compensation schemes, which we will be pleased to provide you upon request.

For more information please refer to the "Information sheet for the depositor" which is available at <https://www.denizbank.at/DepositInsurance/>.