



# Annual report 2014

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# Vision and mission statement

Our goal is to operate a top-notch deposit insurance system that reinforces depositors' confidence in the banking system in order to meet the challenges posed by financial shocks, through harmonising international and domestic legal frameworks, and to participate efficiently, along with our partner organisations, in keeping up security in the domestic financial system serving depositors.

In order to retain public confidence in the banking sector, it is crucial to make sure that depositors are informed about deposit insurance relevant to them, and they experience the protection it provides, as the case may be. Closure of a credit institution represents an unexpected event to most depositors in all cases. This is why depositor experience, as well as the speed and quality of the compensation service are attached high priority in the indemnification process. For private individuals, enterprises and organisations suddenly faced with a shortage of funds, it is vital to obtain their money promptly. The technological developments performed by NDIF are aimed at reducing the indemnification period of deposit insurance even within the timeframe determined by law (20 working days).

## Customer satisfaction

In 2014 as many as 7 % of the 63,000 depositors who had received compensation returned our questionnaire about NDIF's work and deposit insurance rules in the postage-free reply envelopes provided.

Based on these responses most depositors (81 %) were satisfied with the speed of compensation (maximum 20 working days according to the law). The level of satisfaction was also high in connection with the compensation limit set by the EU (73 %). As many as 68 % of those affected were satisfied with NDIF's compensation services.

Our Call centre answered 10,000 customer calls to provide information to depositors.

During the year NDIF indemnified 63,000 depositors, including 54,000 private individuals and 9,000 legal entities.

In 2014 NDIF indemnified depositors in six new cases that affected:

4 savings cooperatives  
1 bank  
1 credit cooperative.

During the year NDIF paid HUF 106 billion in compensation.

In December 2014 the Hungarian National Assembly passed an act on the transposition of the EU Directive on deposit insurance.

At the start of the year NDIF had HUF 92 billion in liquid assets (for compensation), which decreased by HUF 9 billion by the end of the year.

Time required for compensation payouts during the year: Körmend és Vidéke Takarékszövetkezet: 4 working days. Orgovány és Vidéke Takarékszövetkezet: 7 working days. Alba Takarékszövetkezet: 4 working days. Széchenyi Hitelszövetkezet: 3 working days. Széchenyi Bank: 2 working days. Tisza Takarékszövetkezet: 2 working days

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## Facts and figures from 2014



## Preface by the Chairman

2014 was a year full of challenges both for Hungary's credit institutions and its deposit insurance scheme. The operation and effectiveness of the banks were significantly influenced by the rapid changes of the economic and regulatory environment, the considerable tax burdens, the loan impairment losses inherited from previous years, the government's actions taken in connection with foreign currency denominated loans, as well as by the integration process of the cooperative sector, which began in late 2013.

For the first time in the history of the Hungarian deposit insurance system, which is fully financed from the market, compensation had to be paid in such an environment after the closure of several credit institutions. As a result of the screening of the cooperative integration process, which ended during the year, NDIF provided compensation payouts after the closure of five cooperative service providers and a small bank. Large-scale payouts decreased the assets available for compensation and accumulated in the previous years to an all-time low, and the "replenishment" of the assets puts an added burden on the Hungarian banking sector, which has been loss-making for years.

In parallel with the radical decrease in NDIF's assets, a new international requirement was introduced for payments to be made by banks. The EU Directive on the resolution of banks, which was transposed by Hungary in December 2014, specified concrete requirements related to the financial means available to deposit guarantee schemes. NDIF's assets must eventually – within ten years – reach 0.8 % of its compensation obligations.

For the creation of a single market, the steps formulated by the EU towards a banking union not only specify tasks for the supervisory institutions and deposit insurance organisations, but also impose significant financial burdens on financial service providers. In addition to the development of the European institutions and the further tightening of rules pertaining to service providers the financial contributions provided by the banks can lead to the creation of a banking market more resistant to crises, to the improved efficiency of supervision, as well as to the strengthening of the deposit insurance security net designed to protect bank customers.

Apart from sharing the financial burden, members of the Hungarian Banking Association that entered into agreement with NDIF (OTP Bank and Takarékbank) contributed through active involvement, customer service and considerable paying capacities to compensation procedures conducted by NDIF in 2014, which posed challenges not only because of their number and size, but also because of the tight deadlines for payouts.

Levente Kovács  
Chairman of the Board of Directors



## Foreword by the Managing Director

For NDIF 2014 brought new types of tasks arising from compensation obligations and legal requirements, and active engagement in the activities of the international community. The organisation, which works with a small number of employees, demonstrated exemplary institutional efficiency and indemnified 65,000 depositors within an unprecedentedly short period of time, sometimes in concurrent cases. It managed to complete all of the indemnification procedures before the legal deadline, sometimes much earlier than that, by using mature experience and knowledge management practices that are unique in many aspects, as well as by the adaptation of experience gained through its international relations. The questionnaires returned by customers who had received compensation show that for the time being NDIF's compensation related response time is the most important and most valued part of the deposit insurance service.

During the indemnification procedures NDIF put special emphasis on replying customer queries too. During the year our call centre received 10,000 calls, and we replied many questions on our social media platforms. In addition, NDIF played an active role in the development of the standard compensation work process of the European professional community (EFDI) in the case of cross-border bank failures. The international recognition of NDIF is indicated by the fact that two of the European working groups responsible for the review of the extremely heterogeneous national legal systems and the applied payout methods, as well as for the formulation of proposals are headed by NDIF officials. In July 2014

Hungary was among the first countries to transpose the EU Directive on bank resolution, which included the establishment of the Resolution Fund. Tasks related to the Resolution Fund were assigned to the work organisation of NDIF.

In the life of an institution operating on the basis of strict legal regulations an on-site audit carried out by the State Audit Office of Hungary, which is considered to be at par with a screening, is an important professional challenge. The audit conducted by the State Audit Office of Hungary, which covered three years of NDIF's operations and was made available for the general public, concluded that in the audited period NDIF's operations were regular and its business activities complied with the legal regulations. We believe that this is the most reassuring message NDIF can send to its member institutions and their depositors.

András Fekete-Győr  
Managing Director





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## Consumer protection and customer education

Our goal is to operate a top-notch deposit insurance system that reinforces depositors' confidence in the banking system in order to meet the challenges posed by financial shocks, through harmonising international and domestic legal frameworks, and to participate efficiently, along with our partner organisations, in keeping up security in the domestic financial system serving depositors.

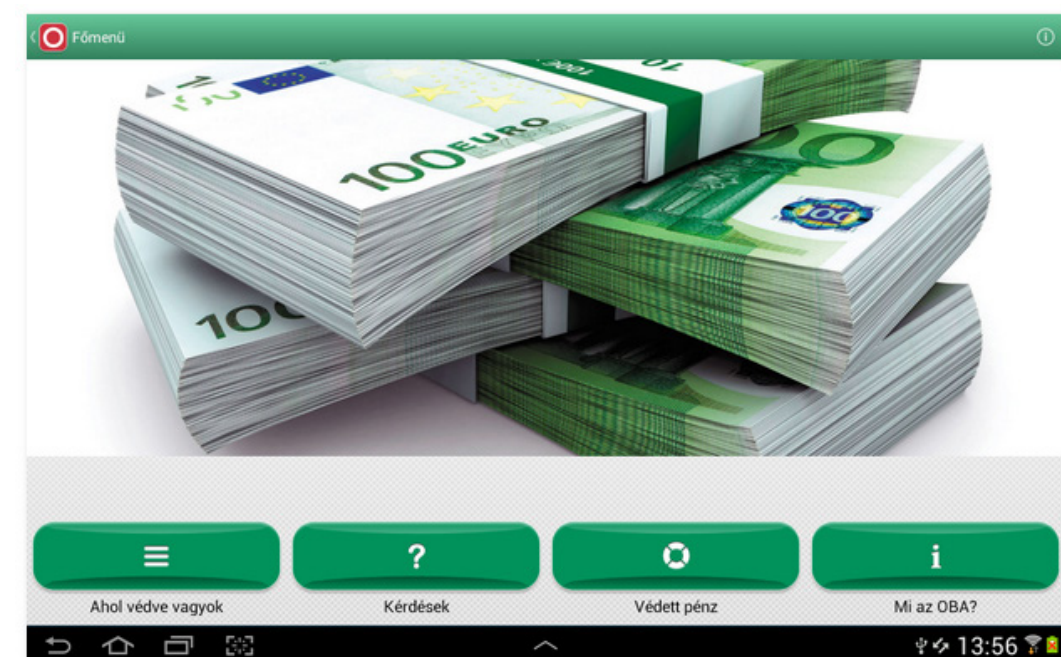
2014 was the year of compensation payouts for NDIF, which also means that it was the year of media announcements, customer information supply, i.e. the year of communication. In addition to the mandatory and proactive customer service actions we committed ourselves to develop technologies and customer-friendly devices that contribute to the strengthening of trust towards the banking system and to the better understanding of deposit insurance by the customer.

### Educational videos

In the world of smart phones and tablets information supply via motion pictures is becoming more popular in addition to static written communication. In 2014 we produced educational short films based on real cases of customers that received compensation from NDIF. The goal of these films was to present the process of indemnification within the deposit insurance scheme from the customers' perspective. The films, which are also accessible on the platforms of social media (Facebook and YouTube), "tell" the stories of a private individual and a small entrepreneur in the period between bank closure and the delivery of the notice on indemnification. The films, which can be viewed on smart phones, too, have been downloaded more than 20,000 times on the video share websites.

### Further development of mobile applications

The existing mobile application of NDIF (which includes a bi-lingual description of the minimum deposit insurance rules customers must know) has been completed with a branch and ATM search function in compliance with the banks' practices. Users of Android or iOS based smart phones can search for the nearest bank branch and cash machine on the map, and use the built-in route planner to find them. Within the framework of the further development of the application we also created the possibility to post up-to-date indemnification news.



### Indemnification related information supply

The indemnification procedures of 2014 required more complex, intense and diverse information supply activities from NDIF than ever before. It can be concluded from all cases that around the clock accessibility, as well as standard, fast and understandable information supply concurrently through multiple channels is vital for satisfactory customer service.



## Mandatory announcements

The law requires NDIF to provide detailed information about the start of the indemnification process in the two largest Hungarian dailies. During last year, NDIF published announcements in seven county dailies in addition to the two national dailies due to the involvement of certain regions in the events, and due to the increasing readership of such papers for several years.



## Call centre

In the course of 2014 the external call centre of NDIF received nearly 10,000 calls. At times the centre was required to increase its operator capacity to handle calls. Most customers called the Call Centre between 9 a.m. and 5 p.m. In connection with the indemnification of depositors of certain institutions (Orgovány és Vidéke Takarékszövetkezet, Széchenyi Kereskedelmi Bank) calls were also received from customers requesting information in English or German.

## Media meetings outside Budapest

Since most compensation cases in 2014 affected areas outside Budapest, NDIF continued to organise personal media meetings during the indemnification process. This is how interviews were held and background information was supplied through the regional and local daily papers, radio and television channels in Kecskemét, Cegléd, Szolnok, Martfű, Körmend, Szombathely, Zalaegerszeg and Székesfehérvár.

## National media

In relation to indemnification cases NDIF was available for national media outlets in the form of interviews, press events and radio discussions.

## Social media



In the period preceding the indemnification of the depositors of Orgovány és Vidéke Takarékszövetkezet and Tisza Takarékszövetkezet the affected depositors created self-organising Facebook groups the members of which shared faulty, not at all accurate information on several occasions. NDIF, which is committed to provide fast and correct information to the affected customers, joined these group chats through its representative. This representative became a group member, and in addition to providing official institutional information (while complying with the rules pertaining to bank secrets) he used these platforms as a customer service channel and answered questions raised by individual group members.

## Consultations with partner institutions

However, the fast and as much as possible problem-free indemnification of depositors assumes and requires close cooperation with the institutions involved. In line with this, during the year NDIF carried out consultations with the officials and communication experts of the Central Bank of Hungary, the Ministry for National Economy, the Financial Stability Institute (Pénzügyi Stabilitási és Felszámoló Non-profit Kft.), the Credit Cooperatives Integration Organisation, OTP Bank, Takarékbank, the savings cooperatives involved in the indemnification process, as well as of the Hungarian Post.

**NDIF's scope of activities:**

Pursuant to section 217 (1) of the Act on Credit Institutions and Financial Enterprises (hereinafter referred to as the Act), the main function of NDIF is to initiate disbursement of compensation to depositors when deposits kept with its member institutions are frozen, or pursuant to a resolution issued by the Central Bank of Hungary (hereinafter CBH) as the Supervisory Authority, or pursuant to a court order for liquidation published in case a liquidation procedure – at the earliest of the three dates – and complete the process within twenty working days.

**The Board of Directors**

In accordance with section 223 (1) of the Act, the governing body of NDIF is the Board of Directors, which consists of the Undersecretary of the Ministry for National Economy, two Deputy Governors of the CBH, the Secretary General of the Hungarian Banking Association (HBA), the Managing Director of the National Federation of Savings Cooperatives (NFSC), a person appointed by the Chairman of the board of the Credit Cooperatives Integration Organisation (as of 30 November 2013), as well as the Managing Director of NDIF. On an annual basis, the Board of Directors elects a Chairman and a Vice Chairman out of its members. In 2014, the Chairman's position was filled by Secretary General of the Hungarian Banking Association (HBA) Dr. Levente Kovács, while the position of the Vice Chairman was filled by the Deputy Governor of the CBH dr. László Windisch.

**Members of NDIF's Board:**

Undersecretary Gábor Orbán (Ministry for National Economy)  
Deputy Governor Dr. László Windisch (the Central Bank of Hungary)  
Deputy Governor Dr. Ádám Balog (the Central Bank of Hungary)  
Secretary General Dr. Levente Kovács (Hungarian Banking Association)  
Chairman of Board Dániel Lontai (Credit Cooperatives Integration Organisation)  
Managing Director Antal Varga (National Federation of Savings Cooperatives)

**Auditor to NDIF**

In accordance with section 109 of the Act, financial and accounting audits of NDIF are performed by the State Audit Office.

Number of member institutions:



108

Savings cooperative



38

Bank



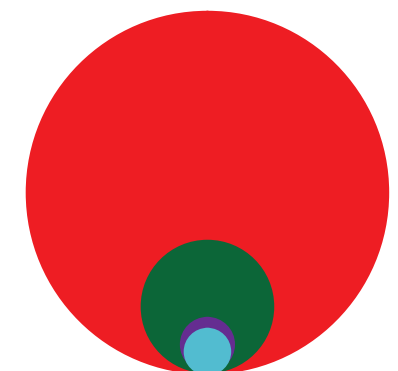
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Home saving fund



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Credit cooperative



The OBA current list of member institutions can be viewed on the website: [www.oba.hu](http://www.oba.hu)

The total savings deposited with credit institutions amounted to HUF 17,262 billion at the start of 2014, which represents a decrease of HUF 104 billion (0.06%) in comparison with the deposits seen one year previously. However, this indicates a more significant, nearly HUF 616 billion decrease in insured deposits, which means that the share of uninsured savings has grown.

Regarding the distribution of savings per type of credit institution, more deposits were kept in the commercial bank and home savings bank sector than in the previous years (92.4% of all deposits), while 7.6% were kept in the cooperative sector.

The average insured deposit amount per person was HUF 1,258,000, which is 0.3% less in contrast with the previous year's figure.

#### Dynamics of savings deposited with credit institutions \*

Table 1 (HUF billion)

Description	At the start of 2013	At the start of 2014	2013=100 %
<b>Deposits</b>	<b>15,052</b>	<b>15,029</b>	<b>99</b>
of which: savings deposits	537	556	104
other deposits	14,515	14,473	99
<b>Securities</b>	<b>2,122</b>	<b>2,071</b>	<b>98</b>
<b>Interest payable</b>	<b>192</b>	<b>162</b>	<b>84</b>
<b>TOTAL</b>	<b>17,366</b>	<b>17,262</b>	<b>99</b>

#### Distribution of savings by protection

Shrinking by 3.2 percentage points, the ratio of deposits insured by NDIF was at 70.4 % at the beginning of 2014, which is still far from the all-time high of 82.3 % seen in 2005.

By 2014 a further shift in proportions could be observed towards uninsured savings. While the entire stock of securities decreased, the share of securities protected by NDIF dropped by more than 6 % compared to the previous year, therefore the largest change in proportions can be observed in the case of this product (when disregarding the interests).

#### Distribution of savings by protection

Table 3

Description	2013 opening %			2014 opening %		
	Insured by NDIF	State-guaranteed	Uninsured	Insured by NDIF	State-guaranteed	Uninsured
<b>Deposits</b>	<b>78.9</b>	<b>0.3</b>	<b>20.8</b>	<b>76.1</b>	<b>0.3</b>	<b>23.6</b>
Deposits	93.5	4.7	1.8	92.0	4.2	3.8
of which: savings deposits	78.4	0.1	21.5	75.5	0.1	24.4
other deposits	36.2	0.3	63.5	30.1	0.3	69.6
<b>Securities</b>	<b>70.9</b>	<b>1.0</b>	<b>28.1</b>	<b>58.1</b>	<b>0.7</b>	<b>41.2</b>
<b>TOTAL</b>	<b>73.6</b>	<b>0.3</b>	<b>26.1</b>	<b>70.4</b>	<b>0.3</b>	<b>29.3</b>

## NDIF's obligations regarding compensation

NDIF's premium base, i.e. the insured portfolio of savings, shrank by HUF 616 billion in excess of the HUF 104 billion decrease seen in the savings portfolio, as presented above (Table 1). Within that, NDIF's compensation obligation decreased by HUF 571 billion by 2014 and totalled HUF 182 billion. Taking also state guarantee obligations into account, the actual indemnification or guarantee obligation covers 47.7% of savings kept with credit institutions, which falls approximately 3 percentage points short of the previous year's ratio.

### Obligations of compensation and guarantee on savings kept with credit institutions

Table 4

Description	At the start of the insurance year	Insured by NDIF	Insured by NDIF	Uninsured or unguaranteed portfolio	Total (%)
In case of NDIF, the ratio of the currently applicable compensation obligations and the state guarantee obligations within the insured * and guaranteed portfolio	2010	62.0	100.0	0	-
	2011	69.6	100.0	0	-
	2012	70.0	100.0	0	-
	2013	68.5	100.0	0	-
	2014	67.0	100.0	0	-
The ratio of the compensation obligation and the state guarantee obligation within the total savings portfolio of NDIF's member institutions	2010	44.6	0.4	0	45.0
	2011	51.1	0.4	0	51.5
	2012	52.0	0.4	0	52.4
	2013	50.4	0.3	0	50.7
	2014	47.4	0.3	0	47.7

\*The insured portfolio equals NDIF's premium base

The average deposit size grew significantly from HUF 240,000 to HUF 381,000 (by 58.8 %).

Starting from 2010, the member institutions report also the data consolidated per depositor (SCV data) in the premium returns, under premium base. On this basis NDIF distinguishes two depositor classes in order to ensure more accurate planning of its compensation obligation (namely, depositors holding deposits worth between EUR 0 and EUR 100 000, and depositors holding deposits above EUR 100 000, at values calculated at the year-end exchange rates).

Within the premium base, depositors below EUR 100,000 and depositors above EUR 100,000 represent 58.5 % and 41.5 %, respectively. Compared with the previous year – and in line with the previously presented increase seen in the uninsured portfolio –, this ratio shifted 1.0 % towards the depositor class holding deposits worth over EUR 100 000.

## Distribution of savings insured by NDIF by depositor class at the start of 2014

Table 5

Depositor classes	Total			Banking sector			Cooperative sector		
	HUF billion	%	Thou- sand units	HUF billion	%	Thou- sand units	HUF billion	%	Thou- sand units
HUF equivalent of EUR 0 to EUR 100,000	7,118	58.5	9,631	6,015	55.1	8,151	1 102	88.0	1,480
Of which: Natural persons	5,978	84.0	8,846	5,030	83.6	7,758	948	86.0	1,296
Other than natural persons	1,140	16.0	785	985	16.4	593	154	14.0	184
Above the HUF equivalent of EUR 100,000	5,043	41.5	36	4,893	44.9	33	150	12.0	3
Of which: Natural persons	1,148	22.8	17	1,069	21.8	16	79	52.9	2
Other than natural persons	3,895	77.2	19	3,824	78.2	17	71	47.1	1
Total	12,161	100	9,667	10,908	100	8,184	1,252	100	1,483
Average deposit size per customer (HUF thousand)	1,258			1,333			845		





## NDIF's premium revenues

NDIF's own revenue stream (Section 232 of the Act) consists of one-off admission fees, regular and extraordinary payments received from member institutions, the yields of NDIF's investments and the portion recovered from receivables devolved to NDIF, which may be complemented by loans borrowed by NDIF.

### Admission fees

Credit institutions that have been licensed to raise deposits are required to pay a one-off admission fee to NDIF when joining the organisation. The admission fee equals 0.5 % of the member institution's registered capital. In 2014, a revenue of HUF 10,000,000 was received from Bank of China Limited on these grounds.

### Annual premium payment

The upper limit for the statutory annual regular premium to be paid by members is two per mill of their respective deposit portfolios insured by NDIF as of 31 December of the year proceeding the reporting year [Section 234 (2) of the Act]. NDIF did not fully utilise this statutory limit.

As of 2014, a uniform premium rate of 0.1 per mill was adopted in line with the resolution passed by NDIF's Board of Directors.

The following table breaks down by sector how the payable premium relates to the theoretical compensation obligation in the given credit institution sector (relative premium).

Credit institution	Premium paid in 2013 (HUF million)	Premium to be paid in 2014	Premium per HUF 1,000 theoretical compensation obligation	
			2013	2014
Bank	6,574	10,455	0.94	1.60
Savings cooperative	843	1,236	0.64	1.06
Home savings bank	239	454	0.60	1.00
Credit cooperative	10	16	0.70	1.12
<b>Total</b>	<b>7,666</b>	<b>12,161</b>	<b>0.88</b>	<b>1.49</b>

### Specific premiums in 2014\*

\*The data do not reflect the differences due to preferential and increased premiums. In 2014 neither in-creased, nor preferential premiums were applied.

Table 6

Due to favourable returns on government securities, at the turn of 2013 and 2014 the market value of assets equalled HUF 92 billion. After the indemnification of the six in-stitutions, the market value of securities at the end of 2014 totalled HUF 9 billion.

Coverage ratio

The coverage ratio is an internationally accepted indicator of the asset position or “capitalisation” of deposit insurance institutions, which compares the liquid assets of NDIF to its theoretical compensation obligations towards member institutions, as of the same date.

The assets available for indemnifying depositors in case of bankruptcy of a credit institution basically come from two sources of revenue: the deposit insurance premiums paid by member institutions in the reporting year and the yields of accumulated premiums invested in government securities.

Dynamics of coverage ratio between 2008 and 2014

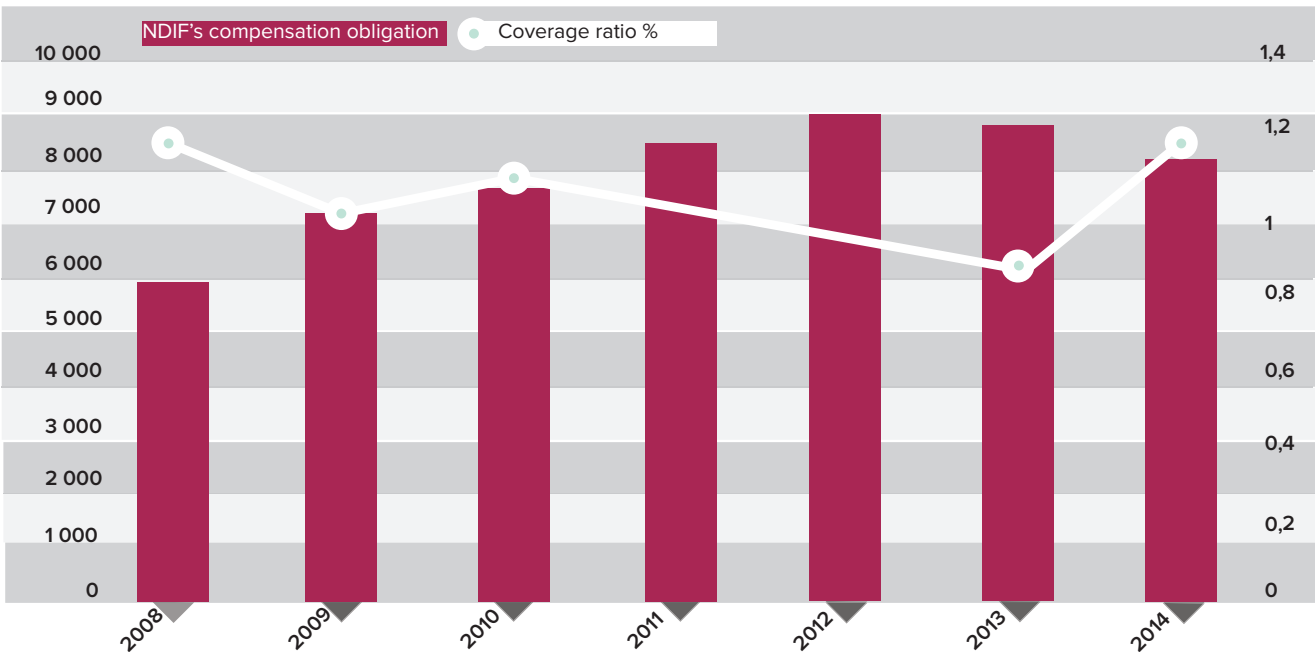
Table 7

Description	2008	2009	2010	2011	2012	2013	2014
NDIF's compensa-tion obligation (HUF billion)	5,761	7,159	7,590	8,506	9,067	8,753	8,182
NDIF's assets (HUF billion)*	69	71.6	83	88	86.9	76.6	92
Coverage ratio %**	1.2	1.0	1.1	1.03	0.96	0.88	1.2
Average premium rate (per mill)	0.09	0.2	0.2	0.6	0.6	0.6	1.0

\* The book value of NDIF's assets represented in securities – as of the year-end preceding the reporting year (opening balance in the reporting year).

\*\* Compared to the current compensation obligation.

NDIF's compensation obligation and coverage



### Intangible assets

A considerable part of NDIF's intangible assets consists of software purchased or developed by NDIF. These assets are entered into the books at acquisition costs. For all assets, individual valuation is used. For software, the company recognises no residual value; depreciation was recognised linearly, projecting its depreciation to the gross value, proportionately in respect of the number of days for the period starting from the activation date.

NDIF recognises low-value intangible assets as upfront depreciation in a single amount, while depreciation of intellectual products is written off using a 33 % rate.

In 2014, three significant acquisitions were made:

- development of the KIR3 compensation software and the related legal and IT compliance checks in the amount of HUF 31,205,000;

### Changes in the portfolio of intangible assets in the reporting year

Table 8

Description	Gross value (HUF thou)	Depreciation (HUF thou)
Opening as at 01.01.2014	136,760	119,629
Growth in the reporting year (activation)	33,991	-
Sales in the reporting year	-	-
Asset scrapping in the reporting year	0	0
Depreciation in the reporting year		5,886
Closing as at 31.12.2014	170,751	125,515

- development of mobile application in the amount of HUF 2,286,000;
- DokNet filing software in the amount of HUF 500,000.

### Tangible assets

NDIF's tangible assets comprise the assets needed to ensure operations, such as renovation works on rented buildings, IT devices, business data processing devices, office equipment.

Similarly to intangible assets, individual valuation is used here for all assets, and residual values are determined on an individual basis, in line with their significance. Depreciation was recognised linearly, projecting their depreciation to their gross values, proportionately in respect of the number of days for the period starting from the activation date. Low-value tangible assets are recognised as upfront depreciation in a single amount.



## Composition of tangible assets:

Table 9

Description HUF thousand	31.12.2013	Effect of revision	2014.12.31	Change	
				HUF thou.	%
Rights related to land and buildings	1,083	0	1,002	-81	92.5
- plot of land, land allotment	3		3	0	100.0
- buildings, parts of buildings	1,080		999	-81	92.5
Equipment, fittings, vehicles	5,241	0	5,366	125	102.4
- office technology equipment	3,087		2,465	-622	79.9
- vehicles	0		0	0	0.0
- IT equipment	2,054		1,241	-813	60.4
- furniture	100		1,660	1,560	1660.0
- other	0		0	0	0.0
Investments	11,903			-11,903	0.0
<b>Total:</b>	<b>18,227</b>	<b>0</b>	<b>6,368</b>	<b>-11,859</b>	<b>34.9</b>

## Major changes in inventories (HUF thousand):

Table 10

Description / HUF thousand	opening	growth	decrease	reclassifi- cation +/-	closing
Gross value	59,663	32,184	39,007	0	52,840
Rights related to land and buildings	6,042				6,042
Equipment, fittings, vehicles	41,718	5,080			46,798
Investments under way	11,903	27,104	39,007		0
DEPRECIATION	41,437	5,035	0	0	46,472
Rights related to land and buildings	4,959	81			5,040
Equipment, fittings, vehicles	36,478	4,954			41,432
<b>NET VALUE</b>	<b>18,226</b>	<b>27,149</b>	<b>39,007</b>	<b>0</b>	<b>6,368</b>
Rights related to land and buildings	1,083	-81	0	0	1,002
Equipment, fittings, vehicles	5,240	126	0	0	5,366
<b>Investments under way</b>	<b>11,903</b>	<b>27,104</b>	<b>39,007</b>	<b>0</b>	<b>0</b>

The equipment worth HUF 11,903,000 shown among investments under way was activated in January 2014:

- the partial development of the new payout system (KIR3) in the amount of HUF 7,812,000,
- the Doknet filing system in the amount of HUF 500,000, as well as
- office furniture in the amount of HUF 3,591,000.

At the end of 2014 there were no investments under way.

Only scheduled depreciation was accounted among the depreciation of equipment.

## Financial investments

NDIF holds no financial investments.

## Inventories

Inventories held by NDIF include 5,000 NDIF deposit insurance cards (HUF 495,000) and a single time-share (HUF 100,000).

## Receivables

NDIF's receivables comprise receivables from member institutions (which amount to zero on the balance sheet date), receivables devolved to NDIF through deposit payout, receivables from credit institutions as well as other receivables. NDIF appreciates receivables on an individual basis, and impairment is recognised based on individual assessment.

Most of NDIF's receivables are deposit insurance expenses that are shown as creditor claims.

Due to receivables related to the payment of compensation and transferred to member institutions subjected to liquidation or final settlement NDIF finds it justified to account a higher rate of impairment, which can reach 100 % due to the fact that the experience of former compensation procedures shows that type d) costs paid in connection with indemnification have never been recovered. The types of costs related to indemnification are specified in the Indemnification Regulations of NDIF.

Pursuant to the provisions of Act CCXXXVII of 2013 on credit institutions and financial enterprises (the Act), as well as Act XLIX of 1991 on bankruptcy proceedings and liquidation proceedings (Bankruptcy Act) NDIF shall file its creditor claims to the liquidator/receiver as follows:

- Expert fees related to the compensation procedure
- Banking costs of payments made through bank transfers
- Costs of organising payouts with NDIF deposit insurance card
- Costs of payouts through postal money orders
- Costs of mandatory and other announcements specified in Section 217 (2) of the Act
- Costs of notices sent to those eligible for compensation
- Customer service and telephone costs calculated on the basis of the call list of the customer service office.

Compensation related justified costs are paid by NDIF on the basis of registered invoices, and are accounted as receivables from the credit institution subjected to liquidation or final settlement. These items do not appear in NDIF's Profit and loss statement. Instead they are shown as expenses, impairment of receivables.

## Declarations made by receivers and liquidators

Declarations about the recovery of deposit insurance expenses that appear as creditor claims are made by liquidators, and the impairment to be accounted is calculated on the basis of such declarations.

### Rates to be used for the accounting of impairment of receivable type items:

Description	Rate
Under liquidation	individual
Under bankruptcy	individual
Under negotiation	individual

The amount of deposit payouts made during the compensation procedure is shown in the line receivables devolved to NDIF in the value of HUF 147,076,658,000. Based on the liquidators' declaration on the expected recovery, HUF 96,274,427,000 of this amount was accounted as impairment. Compensation amounts transferred to paying agents and the Hungarian Post involved in the indemnification procedure are accounted by NDIF as receivables from the member institutions equalling the amounts shown on the bank statements, and on the date of transfer independent of the fact whether the persons eligible for compensation have received the transferred amounts, or not. In the period between the transfer and the withdrawal of the amount NDIF shows no receivables from credit institutions due to the fact that compensated depositors have disposal over the transferred amounts. Compensation amounts not withdrawn by depositors (due to death, change of address, wrong address, etc.) are transferred back to NDIF. Depositors can withdraw the amounts transferred as compensation until the date specified in the agreement with the paying agent banks. After the deadline specified in the agreements NDIF and the paying agent bank settle with each other, and unclaimed deposits are transferred back to NDIF.

In accordance with the agreement with Takarékbank: "If the customer fails to claim the compensation amount by the last working day of the fourth month from the month following the starting date of the compensation procedure, the agent shall transfer the amount back to the Principal's bank account."

Receivables from credit institutions totalled HUF 149,506,000, which is the compensation amount financed by Takarékbank (paid for Takarékbank) and which Takarékbank will reimburse in 2015 pursuant to the settlement according to the agreement between NDIF and Takarékbank.

### Composition of receivables:

Table 12

Description HUF thousand	2013	Effect of revision	2014	Change	
				HUF thou.	%
<b>Receivables from member institutions</b>	<b>4,950,963</b>	<b>0</b>	<b>56,464,379</b>	<b>51,513,416</b>	<b>1040,5</b>
= receivables from credit institutions	7,162			-7,162	-100.0
= impairment of receivables from credit institutions	-7,162		0,	7,162	-100.0
= receivables transferred through deposit payouts	44,880,957		152,198,138	107,317,181	239.1
= impairment of receivables transferred through deposit payouts	-39,946,887		-95,733,759	-55,786,872	139.7
= incidental costs incurred due to deposit payout	161,862			-161,862	-100.0

Description HUF thousand	2013	Effect of revision	2014	Change	
				HUF thou.	%
= impairment of incidental costs incurred due to deposit payout	-144,969,			144,969,	-100,0%
<b>Other receivables from credit institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0,0%</b>
- due to guarantee and redemption of onerous obligations			0	0	0,0%
- impairment due to guarantee and the redemption of onerous obligations			0	0	0,0%
<b>Other receivables</b>	<b>274</b>	<b>0</b>	<b>0</b>	<b>-274</b>	<b>-100,0%</b>
- Accounts receivable	0			0	0,0%
<b>- Interest-free housing loans</b>	<b>0</b>			<b>0</b>	<b>0,0%</b>
- Advances paid	0		0	0	0,0%
- Reclassified tax payment obligations	0		0	0	0,0%
- Other receivables	274			-274	-100,0%
<b>Total:</b>	<b>4,951,237</b>	<b>0</b>	<b>56,464,379</b>	<b>51,513,142</b>	<b>1040.4%</b>

### Changes in impairment according to the Accounting Act:

Table 13 (Figures in HUF thousand)

Description HUF thousand	2013	Effect of revision	2014	Change	
				HUF thou.	%
				Accounting Act	
	Opening	Growth	Decrease	Reversal	Closing
Impairment of receivables from member institutions	7,162	18,300	0	0	25.462
Impairment of receivables from liquidators of credit institutions	40,091,860	57,416,629		1,234,058	96.274.431
Total	40,099,022	57,434,929	0	1,234,058	96.299.893

## Receivables from liquidators per member institution:

Table 14 (Figures in HUF thousand)

Description	Amount of compensation paid by NDIF	One- rous obliga- tion	Profit loss		Recovery	Closing book	
			Opening impairment	Closing im- pairment		Closing book value	Closing book va- lue of receivables
Heves és Vidéke Ta- karékszövetkezet	262,127	0	11,096	11,096		251,031	262,127
Heves és Vi. Takarékszö- vetkezet incidental costs	16,690	0	0	0		16,690	16,690
ÁKH Hitelszövetkezet deposit	3,184,701	0	2,663,710	2,706,996		477,705	3,184,701
ÁKH Hitelszövetkezet incidental costs	12,117	0	12,117	12,117		0	12,117
„Jógazda” Takarékszö- vetkezet	9,005,012	0	7,449,511	6,945,056	1,638,336	421,619	7,366,675
„Jógazda” Takaré- szövetkezet incidental costs	32,995	0	32,995	32,995			32,995
Soltvadkert és Vidéke Takarékszövetkezet	33,500,461	0	29,822,573	29,093,057	3,483,666	923,738	30,016,795
Soltvadkert és Vidéke Takarékszövetkezet incidental costs	99,912	0	99,770	99,912			99,912
Körmend és Vidéke Ta- karékszövetkezet „va”	22,894,421	0		4,578,884		18,315,537	22,894,421
Körmend és Vidéke Takarékszövetkezet costs „va”	87,505	0		87,505		0	87,505
Orgovány és Vidéke Takarékszövetkezet „fa”	46,396,460	0		27,837,876		18,558,584	46,396,460
Orgovány és Vidéke Takarékszövetkezet costs „fa”	174,510	0		174,510		0	174,510
Alba Takarékszövetke- zet „fa”	7,076,927	0		5,307,695		1,769,232	7,076,927
Alba Takarékszövetke- zet „fa” costs	69,665	0		69,665		0	69,665
Széchenyi Hitelszövet- kezet „fa”	8,723,480	0		6,280,905		2,442,574	8,723,480
Széchenyi Hitelszövet- kezet costs „fa”	18,513	0		18,513		0	18,513
Széchenyi Kereske- delmi Bank „va”	12,805,927	0		10,885,038		1,920,889	12,805,927
Széchenyi Kereske- delmi Bank „va” costs	13,086	0		13,086		0	13,086
Tisza Takarékszövet- kezet „va”	8,348,623	0		2,087,156		6,261,467	8,348,623
Tisza Takarékszövet- kezet „va” cost	32,364	0		32,364		0	32,364
<b>Total:</b>	<b>152,755,496</b>	<b>0</b>	<b>40,091,772</b>	<b>96,274,427</b>	<b>5,122,002</b>	<b>51,359,066</b>	<b>147,633,494</b>

“fa”: under liquidation, “va”: under final settlement

## Impairment of receivables

### Member institutions compensated before 2014

Table 15

Member institution	Accounted impairment – 31.12.2013	Accounted impairment – 31.12.2014
ÁKH	-85%	-85%
Jógazda	-91%	-94%
Soltvadkert	-90%	-97%

Reversal was applied.

### Member institutions compensated after 2014

Table 16

Member institution	YEAR - 2013	YEAR - 2014
Körmend	0%	-20%
Orgovány	0%	-60%
Alba	0%	-75%
SZIH	0%	-72%
SZB	0%	-85%
Tisza	0%	-25%

Low yearly % due to final settlement. The accounting of impairments was carried out on the basis of the recovery ratio estimated by the liquidators. NDIF received a declaration from the liquidators about the estimated rate of recovery in connection with each institution that was liquidated or subjected to final settlement. The above table shows changes in impairment. Since in December 2014 three institutions were subjected to liquidation or final settlement, the liquidators do not yet possess all the information they need. Therefore, despite the prudent estimates it is possible that the ratio of recovery calculated on the basis of actual figures for 2015 may differ significantly from the recovery ratio estimated during the accounting of impairments at the end of 2014. Compensation amounts covered by state guarantee – which the Ministry for National Economy reimburses upon NDIF’s request – are not included in the calculation of impairment.

## Compensations paid by NDIF for state guaranteed deposits between 1993 and 2014

Table 17/a (Figures in HUF thousand)

Description HUF thousand	Amount of compensa- tion for deposits cove- red by state guarantee	Amount compensated by the state
Heves és Vidéke Tksz. Deposit	0	
Heves és Vidéke Tksz. incidental costs	0	
Általános Közlekedési Hitelszövetkezet deposit	51,070	51,073
Általános Közlekedési Hitelszövetkezet incidental costs	87	
„Jógazda” Szövetkezeti Takarékpénztár	44,042	44,087
„Jógazda” Szövetkezeti Takarékpénztár incidental costs	0	
Soltvadkert és Vidéke Takarékszövetkezet	15,229	15,222
Soltvadkert és Vidéke Takarékszövetkezet incidental costs	202	
Körmend és Vidéke Takarékszövetkezet „va”	19,984	19,985



Description HUF thousand	Amount of compensa- tion for deposits cove- red by state guarantee	Amount compensated by the state
Körmend és Vidéke Takarékszövetkezet costs „va”	56	
Orgovány és Vidéke Takarékszövetkezet „fa”	33,280	27,573
Orgovány és Vidéke Takarékszövetkezet costs „fa”	364	
Alba Takarékszövetkezet „fa”	12,083	7,222
Alba Takarékszövetkezet „fa” costs	508	
Széchenyi Hitelszövetkezet „fa”	0	
Széchenyi Hitelszövetkezet costs „fa”	0	
Széchenyi Kereskedelmi Bank „fa”	0	
Széchenyi Kereskedelmi Bank „fa” costs	0	
Tisza Takarékszövetkezet „va”	0	
Tisza Takarékszövetkezet „va” costs	0	
<b>Total:</b>	<b>176,905</b>	<b>110,382</b>

“fa”: under liquidation, “va”: under final settlement

### Deposits to be compensated:

Table 17/b (Figures in HUF thousand)

Description	Compensation not yet paid	Principal amount of compensation not yet paid	Principal amount of compensation not yet paid
Heves és Vidéke Tksz. Betét „fa”	0		0
Általános Közlekedési Hitelszövetkezet betét "fa"	548	548	0
„Jógazda” Szövetkezeti Takarékpénztár "fa"	118,678	118,678	0
Soltvadkert és Vidéke Takarékszövetkezet "fa"	28,087	28,087	0
Körmend és Vidéke Takarékszövetkezet „va”	129,922	129,569	353
Orgovány és Vidéke Takarékszövetkezet „fa”	730,876	723,993	6,883
Alba Takarékszövetkezet „fa”	39,306	39,179	127
Széchenyi Hitelszövetkezet „fa”	206,875	204,752	2,123
Széchenyi Kereskedelmi Bank „va”	1,186,006	1,179,920	6,086
Tisza Takarékszövetkezet „va”	171,433	170,185	1,248
<b>Total:</b>	<b>2,611,731</b>	<b>2,594,911</b>	<b>16,820</b>

“fa”: under liquidation

“va”: under final settlement

The amounts shown in the table are included in the balance sheet as receivables from liquidators, liabilities towards depositors, other receivables and other liabilities.

The table does not include data on payouts between the balance sheet date and the date of balance sheet preparation. These compensations are shown in Table 19.

### Reimbursements from frozen deposits per member institution:

Table 18  
(Figures in HUF thousand)

Description HUF thousand	Frozen depo- sit amount	Reimbursements in the reporting year			Amounts of reimbursements		
		total	principal	interest	total	principal	interest
Heves és Vidéke Ta- karékszövetkezet	1,389,091	0	0	0	262,127	262,128	
Általános Közlekedési Hitelszövetkezet	3,329,643	50,928	50,928	0	3,184,701	3,149,846	34,855
„Jógazda” Szövetke- zeti Takarékpénztár	9,849,564	59	59	28	9,005,012	8,789,257	215,755
Soltvadkert és Vidéke Takarékszövetkezet	37,787,067	192,561	176,717	15,844	33,500,461	33,045,823	454,638
Körmend és Vidéke Takarékszövetkezet	26,465,802	22,894,421	22,676,615	217,806	22,894,421	22,676,615	217,806
Orgovány és vidéke Takarékszövetkezet (Part compensated by NDIF)*	59,603,957	46,396,460	46,095,170	301,290	46,396,460	46,095,170	301,290
Alba Takarékszövetke- zet ((Part compensated by NDIF)*	11,947,324	7,076,927	7,051,485	25,442	7,076,927	7,051,485	25,442
Széchenyi Hitelszövet- kezet	8,957,840	8,723,480	8,622,551	100,929	8,723,480	8,622,551	100,929
Széchenyi Bank	21,467,404	12,805,927	12,485,321	320,607	12,805,927	12,485,321	320,607
Tisza Takarékszövet- kezet	9,008,990	8,348,623	8,319,406	29,217	8,348,623	8,319,406	29,217
<b>Total:</b>	<b>189,806,681</b>	<b>106,489,386</b>	<b>105,478,251</b>	<b>1,011,163</b>	<b>152,198,138</b>	<b>150,497,600</b>	<b>1,700,539</b>

(Reason behind the change in frozen deposits: the liquidator requests the calculation of the balance of deposits against loan repayment in case the assets decrease, and the fixation of deposits on the basis of a court order in case the assets increase.)

The total amounts paid as principal and interest between the balance sheet date and the date of balance sheet preparation are shown in the following table:

Table 19 (Figures in HUF thousand)

Description HUF thousand	Gross payout after the balance sheet date (01.01.2015-28.02.2015)	Principal paid after the balance sheet date (01.01.2015-28.02.2015)	Interest paid after the balance sheet date (01.01.2015-28.02.2015)
Heves és Vidéke Tksz. deposit "fa"	0	0	0
Általános Közlekedési Hitelszövetkezet deposit "fa"	0	0	0
"Jógazda"Szövetkezeti Takarékpénztár "fa"	0	0	0
Soltvadkert és Vidéke Takarékszövetkezet "fa"	0	0	0
Körmend és Vidéke Takarékszövetkezet "va"	384	384	0
Orgovány és Vidéke Takarékszövetkezet "fa"	112,119	111,417	702
Alba Takarékszövetkezet "fa"	25,551	25,456	95
Széchenyi Hitelszövetkezet "fa"	147,619	145,511	2,108
Széchenyi Kereskedelmi Bank "va"	440,043	429,123	10,921
Tisza Takarékszövetkezet "va"	126,529	124,634	1,895
<b>Total:</b>	<b>852,246</b>	<b>836,526</b>	<b>15,720</b>

„fa”: under liquidation, “va”: under final settlement

## Receivables – indicators

Table 20

Description	2013	2014
Ratio of receivables (Receivables/Total assets)	4.99%	83.68%
Ratio of receivables (Receivables/Current assets)	5.11%	83.99%

## Securities

In compliance with the legal provisions, NDIF keeps the premiums collected from its member institutions in Hungarian government securities, more specifically, in Hungarian government bonds and discount treasury bills. The basis of recognition is the original cost, and the valuation method is individual for all securities.

## Structure of securities:

Table 21

Description HUF thousand	2013	Effect of revision	2014	Change	
				HUF thousand	%
Government securities	91,892,145	0	9,132,076	-82,760,069	-90.06
- domestic government securities	91,892,145	0	9,132,076	-82,760,069	-90.06
= Hungarian government bonds	83,024,889	0	8,589,959	-74,434,930	-89.65
= discount treasury bills	8,867,256	0	542,117	-8,325,139	-93.89
- Other securities	0	0		0	0.00
= CBH bonds	0	0	0	0	0.00
<b>Total:</b>	<b>91,892,145</b>	<b>0</b>	<b>9,132,076</b>	<b>-82,760,069</b>	<b>-90.06</b>

The market, acquisition and nominal values of securities:

Table 22 (Figures in HUF thousand)

Description	2014		
	Acquisition value	Nominal value	Market value
Hungarian government bonds	8,589,959	7,572,850	8,764,504
Discount treasury bills	542,117	546,650	542,120
<b>Total:</b>	<b>9,132,076</b>	<b>8,119,500</b>	<b>9,306,624</b>

## Financial assets

NDIF states liquid assets kept to cover operating costs and held in overnight deposits in CBH, and fixed-term deposits released to pay out compensations in progress (HUF 1,158,655,000), the funds kept on bank accounts used for compensation and on other reserved bank accounts (HUF 27,892,000), as well as cash at hand (HUF 169,000) among financial assets.

## Prepaid expenses and accrued income

The same line comprises items of prepaid expenses worth HUF 2,358,000, paid in 2014 and to be incurred in 2015. These include newspaper subscriptions, membership fee for IADI for 2014 and proportionate amounts of life and liability insurances, as well as telephone costs of HUF 29,000 to be devolved in 2015.

The same line comprises items of prepaid expenses worth HUF 2,358,000, paid in 2014 and to be incurred in 2015. These include newspaper subscriptions, membership fee for IADI for 2014 and proportionate amounts of life and liability insurances, as well as telephone costs of HUF 29,000 to be devolved in 2015.

## Short-term liabilities

NDIF assumed no guarantee or other onerous obligations in the reporting year.

NDIF recognises the following items under short-term liabilities:

Table 23 (Figures in HUF thousand)

Description	31.12.2013	31.12.2014
Liabilities to depositors	78,053	2,689,784
Liabilities to trade creditors	14,586	49,424
Tax liabilities	8,117	108,446
Payment obligations to voluntary pension and health funds	0	162
Other short-term liabilities	0	150
<b>Total</b>	<b>100,756</b>	<b>2,847,966</b>

In previous years compensations not yet paid included only those amounts that had been financially agreed and accounted on the basis of the creditor claim submitted to the liquidator and the bank statement confirming the transfer.

In 2014, pursuant to the recommendation made in the report of the State Audit Office, amounts not yet paid by the balance sheet date were also included, independent of the fact that they had not been agreed financially.

## Other receivables

Deposits not yet paid broken down by institutions as of 31.12.2014

Table 24 (Figures in HUF thousand)

Description HUF thousand	Compensation not yet paid
Heves és Vidéke Tksz. Betét „fa”	0
Rákóczi Hitelszövetkezet "fa"	1,395
Reálbank "fa" *	76,659
Általános Közlekedési Hitelszövetkezet betét "fa"	548
„Jógazda” Szövetkezeti Takarékpénztár "fa"	118,678
Soltvadkert és Vidéke Takarékszövetkezet "fa"	28,087
Körmend és Vidéke Takarékszövetkezet „va”	129,922
Orgovány és Vidéke Takarékszövetkezet „fa”	730,876
Alba Takarékszövetkezet „fa”	39,306
Széchenyi Hitelszövetkezet „fa”	206,874
Széchenyi Kereskedelmi Bank „va”	1,186,006
Tisza Takarékszövetkezet „va”	171,433
<b>Total:</b>	<b>2 689 784</b>

-\*Liquidation has been completed in the case of Reál Bank and Rákóczi Hitelszövetkezet, the liquidation and final settlement of the other credit institutions is still under way.

## Short-term liabilities - indicators

Table 25

Description	31.12.2013	31.12.2014	Change
Ratio of liabilities (Liabilities/Total assets):	0.10	4.4	4.3
Liquidity ratio (Current assets/Liabilities):	96,201	2,263	-93,938

## Accrued expenses and deferred income

Under accrued expenses, NDIF recognises expenses that were incurred in the reporting period but are paid only subsequently.

Items listed as accrued expenses and deferred income:

Table 26  
(Figures in HUF thousand)

Description	Amount
Translation of NDIF's premium policy	20
Legal services rendered in Nov-Dec 2014	444
Magyar Telekom internet and phone bills for Dec. 2014	135
Healthcare contribution payable on non-wage benefits, 27% over HUF 500,000	753
Auditor's fee for 2014 (70%)	1,155

## Equity

In the reporting year, changes in equity were caused by the following items:

- admission fees HUF 10,000,000
- profit for the reporting year HUF 37,342,817,000

Profits generated in the reporting year are transferred to the Reserves line in January 2015.



## Composition of equity:

Table 27

Description HUF thousand	31.12.2013	Effect of revision	31.12.2014	Change	
				HUF thousand	%
Registered capital	916,082	0	926,082	10,000	1.09
Reserves	93,896,977	0	98,248,082	4,351,105	4.63
Revaluation reserve	0	0	0	0	0.00
Retained profit	4,351,105	0	-37,342,817	-41,693,922	-958.24
<b>Total</b>	<b>99,164,164</b>	<b>0</b>	<b>61,831,347</b>	<b>-37,332,817</b>	<b>-37.65</b>

## Equity – calculation of reserves:

Table 28 (Figures in HUF thousand)

Legal titles	2013	Effect of revision	2014
Reserves, opening	90,893,678		93,896,977
Change in the reporting year	3,003,299		4,351,105
Reserves, closing	93,896,977		98,248,082

## Change in equity

Table 29  
(Figures in HUF thousand)

Description	Registered capital	Reserves	Profit for the reporting year
Opening value	916,082	93,896,977	4,351,105
Increasing items	10,000	4,351,105	
- capital increase at the time of registration	0		
- admission fee	10,000		
- Reclassification of retained profit for the previous year		4,351,105	
- other		0	0
Decreasing items	0	0	4,351,105
- Reclassification of retained profit for the previous year	0		4,351,105
- Reclassification of retained profit for the previous year			
- other			-37,342,817
<b>Closing value</b>	<b>926 082</b>	<b>98 248 082</b>	<b>-37 342 817</b>

## Equity indicators:

Table 30

Description	2013 (%)	2014 (%)	Change(%)
Equity ratio: (Equity/ Total assets)	99.88	95.59	-4.29
Coverage of invested assets: (Equity/Invested assets)	280 473.37	119 818.90	-160 654.47



9

NDIF's assets, financial and earnings positions

## Details of revenues from deposit insurance

In NDIF's profit and loss statement premiums collected from the member institutions are shown as premiums from member institutions. In the reporting year member institutions had to pay 1 % of all deposits held by them as premium to NDIF. As much as 100% of all premiums came from within the country, in Hungarian forints. (Annex 1) In addition to the aforesaid regular premiums, the Board of Directors did not set increased premiums in the reporting year. In the reporting year six institutions ceased to exist due to liquidation, and two because of merger. NDIF received no subsidy in the reporting year.

## Operating costs and expenses

In the reporting year, operating costs and expenses were as follows:

Table 27 (Figures in HUF thousand)

Description	2013	Effect of revision	2014	Change	
				HUF thousand	%
Expenses from deposit insurance	10,993,502	0	57,416,629	46,423,127	422.28%
-other expenses from deposit insurance	10,993,502	0	57,416,629	46,423,127	422.28%
<b>Expenses other than those from deposit insurance</b>	<b>3,467</b>	<b>0</b>	<b>362</b>	<b>-3,105</b>	<b>89.56%</b>
<b>Other expenses</b>	<b>1,091</b>	<b>0</b>	<b>18,474</b>	<b>17,383</b>	<b>1593.31%</b>
<b>Costs per type</b>	<b>244,177</b>		<b>295,465</b>	<b>51,288</b>	<b>21.00%</b>
- - material	111,186	0	99,698	-11,488	-10.33%
= costs of materials	5,007	0	4,122	-885	-17.68%
= material-type services used	104,044	0	90,322	-13,722	-13.19%
= other services	2,135	0	5,254	3,119	146.09%
- payroll expenses	124,149	0	184,846	60,697	48.89%
- depreciation	8,842	0	10,921	2,079	23.51%
<b>Total</b>	<b>11,242,237</b>	<b>0</b>	<b>57,730,930</b>	<b>46,488,693</b>	<b>413.52%</b>

Costs related to compensation payouts (see Table 17) are accounted and shown by NDIF as receivables from member institutions, and are subsequently collected from the liquidated credit institution or the institution that underwent final settlement during the submission of creditor claims. However, invoices that arrive for NDIF are – unlike deposit insurance related expenses – not included in the profit and loss statement of NDIF. Instead they reduce the retained profit as expenses accounted as impairment

Table 28

Description	2013 HUF thousand	Effect of revision	2014 HUF thousand	Change		Distribution of costs in 2014
				HUF thousand	%	
<b>Other services</b>						
- insurance premiums	441	0	2,897	2,456	556.9	55.1
- banking costs	1,531	0	2,322	791	51.7	44.2
- fees payable to authorities	163	0	35	-128	-78.5	0.7
<b>Total</b>	<b>2,135</b>	<b>0</b>	<b>5,254</b>	<b>3,119</b>	<b>146.1</b>	<b>100.0</b>

Table 29

Description	2013	Effect of revision	2014	Change		Distribution of costs in 2014
				HUF Thou.	%	
<b>Other expenses</b>						
-impairment of receivables	0	0	18,300	18,300	0.0	99.1
-re-invoiced costs	166	0	83	-83	-50.0	0.4
- fixed assets sold	100	0	0	-100	-100.0	0.0
- surcharge for self-revision, interest tax	0		88	88	0.0	0.5
- vehicle casualty	822		0	-822		0.0
- other non-preferential	3	0	3	0	0.0	0.0
<b>Total:</b>	<b>1,091</b>	<b>0</b>	<b>18,474</b>	<b>17,383</b>	<b>1593.3</b>	<b>100.00</b>

## Results of financial activities

- a) Contents:
- financial revenues,
  - financial expenses.
- b) Valuation - accounting:
- Basis for registration: book value
  - Foreign currency movements are valued according to the principle of authenticity
  - Valuation at real value: not applied.

Stock is verified through analytical records.

Table 30

Description	2013	Effect of revision	2014	Change	
				HUF Thou.	%
<b>Revenues from financial activity</b>	<b>HUF Thuo.</b>		<b>HUF Thuo.</b>		
INterest recieved	14,673		25,354	10,681	72.8
Revenues from financial transactions	7,530,062	0	7,300,182	-229,880	-3.1
- exchange rate gains on investments in foreign currer	0		0	0	0.0
- profit on Hungarian goverment securities	7,530,062	0	7,300,182	-229,880	-3.1
= exchange rate gains on discount terasurybills	2,194,807		3,895,827	1,701,020	77.5
= profit from interest on HUngharian goverment bonds	4,833,959		3,194,554	-1,639,405	-33.9
= exchange rate gains on discount treasurybills	501,296		209,801	-291,495	-58.1
= profit on the bonds of the Central Bank of Hungary	0		0	0	0.0
- exchange rate gains on other securities	0		0	0	0.0
- profit on foreign exchange futures hedge transaction	0		0	0	0.0
<b>Total</b>	<b>7,544,735</b>	<b>0</b>	<b>7,325,536</b>	<b>-219,199</b>	<b>-2.9</b>



Table 31

Description	2013	Effect of revision	2014	Change	
				HUF Thou.	%
Expenses of financial activity					
Interests paid and similar expenses	0		0	0	0.0
Expenses of financial transactions	66,781	0	299,432	232,651	348.4
- exchange rate losses on investments in foreign curre	0			0	0.0
- loss on Hungarian goverment securities	66,781	0	299,432	232,651	348.4
= exchange rate loss on Hungarian goverment bond	66,781		299,414	232,633	348.4
= exchange rate loss on discoun treasury-bills	0		18	18	0.0
Other financial expenses	21,102		15,468	-5,634	-26.7
Total:	87,883	0	314,900	227,017	258.3
Balance	7,456,852	0	7,010,636	-446,216	-6.0%

The line 'Other financial expenses' include the portfolio and deposit management fees, the fee payable to KELER Central Clearing House and Depository Ltd.) as well as exchange rate losses accounted for business trips.

### Extraordinary profit/loss

No extraordinary profit/loss was accounted.

### Staff and payroll figures

Dynamics of the average statistical headcount:

The Board of Directors of NDIF approved a staff of 9. In the last five months of 2014 NDIF's staff grew by one more employee, a financial accounting assistant, whose hiring was necessitated by the establishment of the Resolution Fund. The risk assessor position is expected to be filled in May 2015.

Dynamics of average wages, income and expenses:

Table 32

Number of staff	2013	2014
physical employees	0	0
white-collar employees	6	7
Total staff	6	7

At the Board of Directors of NDIF approved a staff of 9.. In the last five months of 2014 NDIF's staff grew by one more employee, a financial accountant assistant, whose hiring was necessitated by the establishment of the Resolution Fund. The risk asseccor position is expected to be filled in May 2015.

Table 33

HUF / person / month	2013	2014
Average wage of white-collar employees	1,007,793	1,168,299
<b>Total average wage</b>	<b>1,007,793</b>	<b>1,168,299</b>

Pursuant to its internal regulations, NDIF gives its employees benefits under the cafeteria plan.

Table 34

HUF/year	2013	2014
- incentives	6,824	8,659
- social expenses	753	846
- reimbursements	954	914
- royalty	13,898	26,022
-sick benefit		474
- commission (regulation of bond issuance)		1,100
- other	1,988	2,015
<b>Total personnel expenses</b>	<b>24,417</b>	<b>40,030</b>
Social contribution tax	23,143	35,312
Contribution on wages:		
- PIT payable by the employer, flat-rate healthcare	4,028	5,409
<b>Total taxes and contributions on wages</b>	<b>27,171</b>	<b>40,721</b>
<b>Grand total</b>	<b>51,588</b>	<b>80,751</b>

### Rights and obligations with a maturity over 5 years

The value of deposits not indemnified during the compensation procedures of credit institutions that have been subjected to liquidation in the past years totals HUF 2,689,784,000.

### Presentation of the securities portfolio and assessment of the assets managers' work

The book value of the reporting year's opening securities portfolio was HUF 91,892,145,000, and at the end of the reporting year, securities were represented in the balance sheet at HUF 9,132,076,000 (closing balance). The securities held by NDIF included HUF 8,589,959,000 in Hungarian government bonds and HUF 542,117,000 in discount treasury bills. The securities portfolio decreased by 90 % compared to the base period. The decrease is attributable to the compensation paid for six institutions in 2014.

Table 35

Value date	Table Fixed-rate bonds 40	Discount treasury bills	Financial assets, rece- ivables and liabilities	Portfolio total assets value
Opening (01.01.2014)	83,024,884	8,867,256	5	91,892,145
Distribution %	90,35	9,65	0,00	100,00
Closing (31.12.2014)	8,589,955	542,117	4	9,132,076

The following table shows the effect of assets management on the retained profit for the reporting year:

Table 36 (Figures in HUF thousand)

Profit/loss component	Revenue	Expense	Profit/loss
Exchange gains/losses on Hungarian government bonds	3,895,827	299,413	3,596,414
Interest gains on Hungarian government bonds	3,194,554		3,194,554
Exchange gains/losses on discount government securities	209,801	18	209,783
Commission on portfolio management		12,187	-12,187
Custodian commission		1,020	-1,020
<b>Fee to KELER</b>		<b>2,123</b>	<b>-,2,123</b>
<b>Total</b>	<b>7,300,182</b>	<b>314,762</b>	<b>6,985,420</b>

At the beginning of 2014 the bond yields initially grew, which could primarily be attributed to external effects. However, long-term yields began to show a downward trend. In the first half of the year – similarly to changes in the exchange rate of the Hungarian forint – the decrease in yields could be linked to the fundamentally supportive international investment situation and the favourable Hungarian macroeconomic indicators. In the second half of the year long-term yields temporarily grew several times. This was mostly due to the escalation of the Russian and Ukrainian crisis, the deteriorating European (and global) prospects due to the crisis, and the unfavourable assessment of emerging markets by investors. The expected interest raise in the US and the expected laxation of European monetary regulations pushed long-term HUF yields downwards.

At the end of 2015, the MAX index exceeded that of the end of 2014 by 12.7 % . The MAX index is an index derived from government securities with a maturity of more than a year. During the year the MAX index grew with temporary drops. The RMAX index, derived from short-term government securities, increased evenly during the year, and its value at the end of 2014 stood 3.3 % higher than a year before. The value of the MAX composite index derived from both short- and long-term, HUF denominated government securities increased by 10.9 % during 2014.

ÁKK reached a gross yield of 10.89 % on the whole portfolio, as a result of which the asset management activity added HUF 6,985 million to the retained profit.

No investments were made in foreign government securities in the reporting year.

## Summary evaluation of the profit

In the reporting year NDIF paid significant compensation to depositors due to the final settlement or liquidation of six institutions. Based on the liquidators' estimates, the average recovery rate can reach up to 35 % in comparison with the former 10 %. Yet, since impairment was accounted as expenses, NDIF had to record a loss of HUF 37,342,817,000.

The key components of the change are presented in the following table:

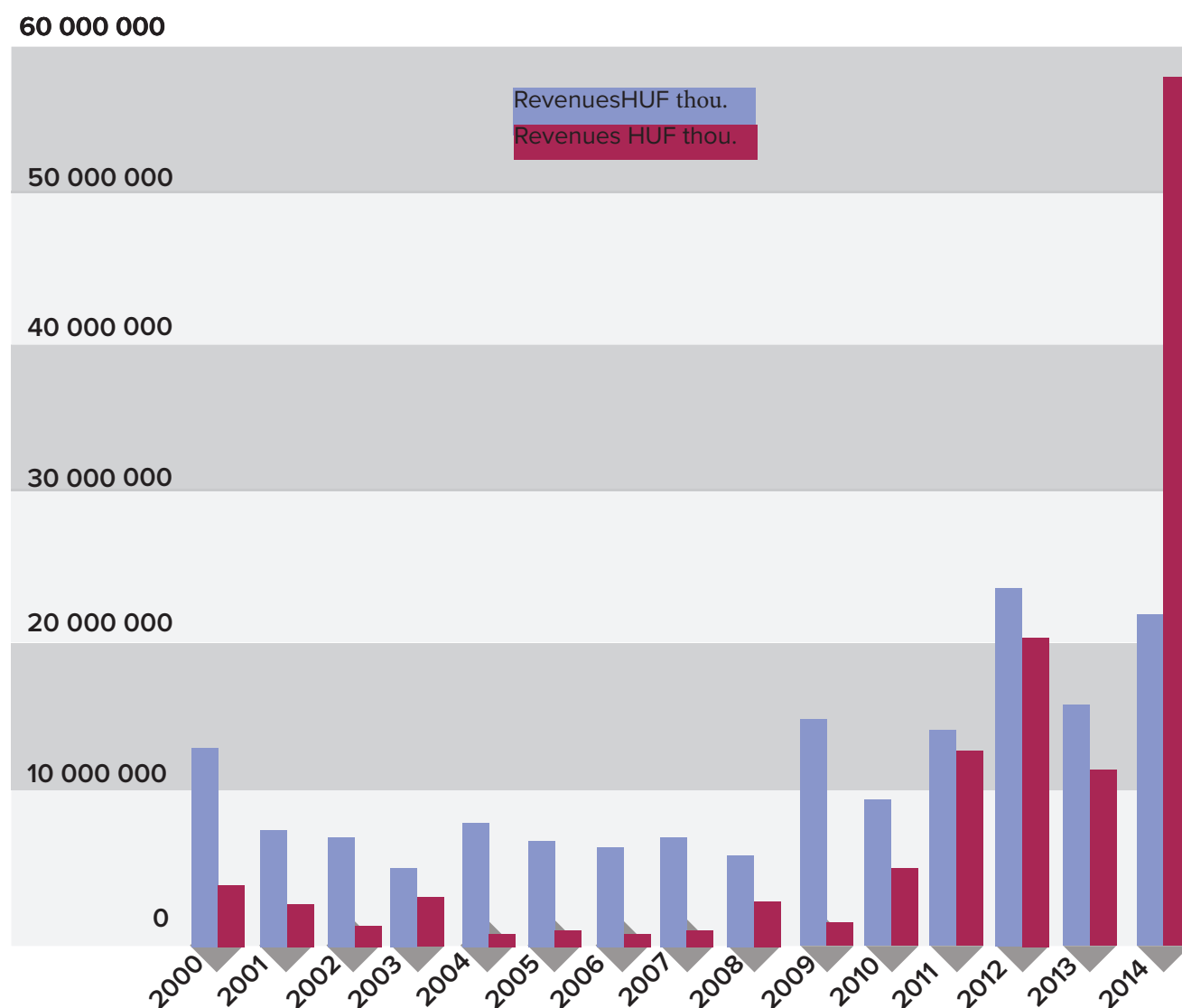
Table 37

Description	2013 HUF thou.	Effect of revision	2014 HUF thou.	Change	
				HUF thou.	%
Revenue from deposit insurance	8,127,401	0	13,367,642	5,240,241	64.5
Revenue from sources other than deposit insurance	8,917		583	-8,334	-93.5
Other revenues	172	0	9,252	9,080	5279.1
Revenues from financial transactions	7,544,735	0	7,325,536	-219,199	-2.9
Total revenues	15,681,225	0	20,703,013	5,021,788	32.0
Expenses of deposit insurance	10,993,502	0	57,416,629	46,423,127	422.3
Expenses on items other than deposit insurance	3,467		362	-3,105	-89.6
Other expenses	1,091	0	18,474	17,383	1593.3
Expenses of financial transactions	87,883	0	314,900	227,017	258.3
Total expenses	11,085,943	0	57,750,365	46,664,422	420.9
Operating costs	244,177	0	295,465	51,288	21.0
Total expenses and operating costs	11,330,120	0	58,045,830	46,715,710	412.3
Retained profit	4 351 105	0	- 37 34 2 81 7	-41 693 922	-958,2

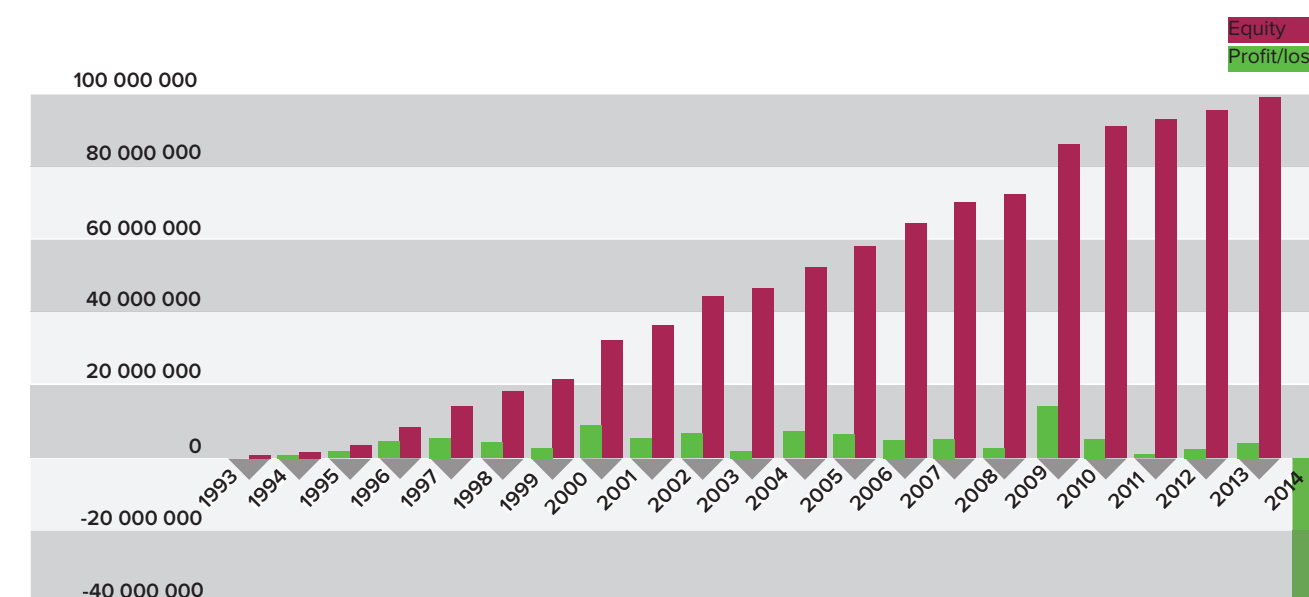
The retained profit resulted from the presumably unrecoverable expenses on compensation of the institutions presented in the first part of the report in the amount of nearly HUF 107 billion, as well as from the better than expected portfolio management, which somewhat decreased the losses incurred in the reporting year. The year also saw an increase in revenues from premiums, which also increased the retained profit, since revenues from premiums were HUF 5 billion higher than in the previous year.

The next diagram shows all of NDIF's revenues and expenses as shown in the profit and loss statements between 1993, i.e. the year of establishment and 2014.

## Revenues and expenses of NDIF between 1993 and 2014



## 1.5.1. Changes in NDIF's equity and profit/loss since its establishment to date



When studying the diagram one must take into account that the equity includes the profit/loss of the previous years and the profit/loss of the reporting year cumulatively, wherefore its growth rate is influenced by the fluctuation of the profit/loss.

The fluctuation of the profit from 1998 until 2004 can be explained with the changes in the expected recovery of receivables from Realbank Rt. due to its liquidation, and afterwards mostly with the changes in the yields of government securities. The decline in 2010 occurred due to the compensation of the depositors of Általános Közlekedési Hitelszövetkezet. The results of 2011 were influenced by the revocation of the operating licence of „Jógazda” Szövetkezeti Takarékpénztár, while profits in 2012 were decreased by compensation payouts due to the final settlement and liquidation of Soltvadkert és Vidéke Takarékszövetkezet. In 2013 no operating licence was revoked, but the return on government securities was smaller than in 2012.

The year 2014 saw higher compensation payouts than ever before in the case of all six compensated credit institutions, and the accounted impairment decreased the equity by more than HUF 57 billion. The equity was increased by HUF 20 billion by NDIF's revenues.





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## Events related to liquidation in progress

### Heves és Vidéke Takarékszövetkezet „f.a.”

The liquidator of the saving cooperative submitted the liquidation closing balance sheet and the asset distribution proposal to the Tribunal of Eger for approval.

NDIF's creditor claim of HUF 267,721,000 shown in the liquidation closing balance sheet (which amount includes both compensation payouts and incidental costs) will be fully recovered on the basis of the asset distribution proposal.

NDIF pointed out for the liquidator that the total receivables reported and formerly confirmed by the liquidator equalled HUF 278,817,000, and requested that the closing balance sheet and the asset distribution proposal be amended accordingly. The liquidator complied with this request on 16 September 2013.

According to the information provided by Concordat Felszámoló Kft. on 12 January 2015, the Tribunal of Eger has not yet approved the closing balance sheet

### Általános Közlekedési Hitelszövetkezet „f.a.”

NDIF reported a claim of HUF 3,185,319,000 in terms of deposits cleared (the sum of compensations actually paid by NDIF was HUF 3 184,771,000), whereas in terms of incidental costs incurred for indemnification, a claim of HUF 12,116,000 was reported, which was confirmed by the liquidator.

Compensation under state guarantee meant the payment of HUF 51,070,000 and HUF 87,000 in related costs, for which NDIF was reimbursed by the Ministry for National Economy in 2010 and 2011.

The liquidator prepared the 4th interim balance sheet of the credit cooperative. Assets and receivables are being sold within the framework of public bidding procedures.

According to the information received on 21 January 2014, the expected recovery rate on creditor claims, which amount to approximately HUF 3.2 billion reported by NDIF, is around

15 % due to the paying difficulties of debtors, the uncertain outcome of transactions under legal proceedings as well as the operating costs.

### „Jógazda” Szövetkezeti Takarékpénztár „f.a.”

The Tribunal of Budapest approved the 3rd interim balance sheet and the partial asset distribution proposal. In its ruling the Tribunal called the liquidator to pay 4.606 % of Category d) receivables from the financial assets at its disposal. In accordance with this, the liquidator transferred HUF 423,648,000 to NDIF on 10 February 2015. Despite these actions the liquidation procedure could not yet be completed in February 2015.

The savings cooperative under liquidation has HUF 780,000 worth financial assets, which also includes the asset division based on the 3rd interim balance sheet.

According to the liquidator's confirmation of 23 February 2015, NDIF's reported creditor claim totalled HUF 9,153,279,000 in connection with deposits already paid and to be paid, and the related costs.

Compensation for deposits under state guarantee meant the payment of HUF 44,042,000, for which NDIF was reimbursed by the Ministry for National Economy in 2011.

### Soltvadkert és Vidéke Takarékszövetkezet „f.a.”

The 2<sup>nd</sup> interim balance sheet of the savings cooperative under liquidation was prepared with a balance sheet date of 9 December 2014. The cooperative's various assets were sold within the framework of public bidding procedures. Liquidation can be completed after the sale of assets and collection of receivables is fully completed and all passive lawsuits end with a final decision.

During the liquidation procedure NDIF paid a total of HUF 33,500,461 and HUF 15,229,000 in compensation for deposits guaranteed by the state, which the liquidator confirmed in category d).

NDIF reported a claim of HUF 106,842,000 as costs related to payouts, and HUF 202,410 as costs related to payouts for deposits under state guarantee. The liquidator confirmed these amounts in category f).

In its 1st interim balance sheet the liquidator reported the recovery of HUF 3,485,259,000, which was credited to NDIF in December 2014. According to the liquidator's notice about the 2nd interim balance sheet, a payment of HUF 901,324,000 was received on 26 March 2015. The Tribunal of Budapest notified NDIF

### Körmend és Vidéke Takarékszövetkezet „v.a.”

In the final settlement procedure, which started on 22 January 2014, NDIF reported the liquidator a creditor claim of HUF 23,027,620,000 for principal and interest compensated between 23 January 2014 and 20 January 2015, as well as for compensation obligations to come. The Tribunal of Budapest ordered the liquidation of Körmend és Vidéke Takarékszövetkezet as of 13 February 2015. Related creditor claims could be submitted within 60 days from the starting date of the liquidation procedure, wherefore NDIF reported the liquidator a creditor claim of HUF 23,027,620,000 for principal and interest compensated, as well as for compensation obligations to come, and a claim of HUF 87,505,000 for compensation related costs.

The claim for deposits guaranteed by the state totalled HUF 22,339,000.

## Orgovány és Vidéke Takarékszövetkezet „f.a.”

As of 25 July 2014 the Tribunal of Budapest ordered the liquidation of the savings cooperative with its Ruling No. 23.Fpk.01-14-006043/8.

NDIF reported to the liquidator of Orgovány és Vidéke Takarékszövetkezet a creditor claim of HUF 47,239,288,000 in connection with the indemnification of depositors, and a claim of HUF 192,855,000 for costs incurred in connection with the compensation process. The liquidator confirmed these claims.

Compensation paid for deposits guaranteed by the state totalled HUF 33,279,000, out of which HUF 29,940,000 was confirmed by the liquidator after the claim was reported in September 2014. The Ministry for National Economy has reimbursed HUF 27,573,000.

According to the information supplied by the liquidator on 23 February 2015, the receivables of NDIF based on deposit claims is expected to have a recovery rate of 40 %.

## Alba Takarékszövetkezet „f.a.”

In the liquidation procedure which was launched on 16 September 2014 NDIF reported a creditor claim of HUF 7,116,087,000 for paid interest, principal and confirmed deposits.

In connection with compensation related incidental costs NDIF reported a claim for HUF 69,803,000, which the liquidator confirmed.

Compensation payable for deposits guaranteed by the state totalled HUF 7,222,000, which was confirmed by the liquidator.

Related costs, which have also been confirmed, total HUF 511,000.

According to the information provided by the liquidator on 23 February 2015, the recovery rate on NDIF's reported creditor claim is expected to be 25 % in Category d).

## Széchenyi István Hitelszövetkezet „f.a.”

The Tribunal of Budapest ordered the liquidation of the credit cooperative on 4 December 2014.

By the deadline (29 January 2015) NDIF reported a creditor claim of HUF 8,913,208,000 for compensated deposits and a claim of HUF 18,803,000 for incidental costs.

The balance sheet closing the activity has not been prepared yet, wherefore the liquidator has been unable to confirm NDIF's claim.

According to the information provided by the liquidator on 28 January 2015 in response to our query, the recovery rate on NDIF's reported creditor claim can be maximum 28 % in category d).

## Széchenyi Kereskedelmi Bank Zrt. „v.a.”

The Tribunal of Budapest ordered the liquidation of the bank on 5 December 2014.

By the deadline NDIF reported a creditor claim of HUF 14,014,178,000 for compensated deposits and a claim of HUF 13,337,000 for incidental costs. The balance sheet closing the activity has not been prepared yet, wherefore the liquidator has been unable to confirm NDIF's claim.

According to the information provided by the liquidator on 2 March 2015 in response to our query, the recovery rate on NDIF's reported creditor claim can be maximum 15 % in category d).

## Tisza Takarékszövetkezet „v.a.”

The Tribunal of Budapest ordered the final settlement of the savings cooperative on 10 December 2014. By the deadline NDIF reported a creditor claim of HUF 8,410,743,000 for compensated deposits and a claim of HUF 32,847,000 for incidental costs.

The balance sheet closing the activity has not been prepared yet, wherefore the liquidator has been unable to confirm NDIF's claim.

## NDIF's claims reported to the liquidators of compensated credit institutions 1993 – February 2015

Table 38

Name of the credit institution	Amount of the reported claim* (HUF)	Category	Recovery at nominal value (%)	Paid claim* (HUF)	Obligations that are expected to be incurred (HUF)
Heves és Vid. Tksz. „f.a.”	262,126,706	d)	100[1]	262,126,706	-
	16,690,000	f)	100[2]	16,690,000	-
Iparbankház Rt. "f.a."***	2,309,729	d)	0	2,309,729	-
Realbank Rt. "f.a."***	5,154,398,000	d)	100	5,154,398,000	76,658,934
	59,591,000	f)	100	59,591,000	-
Rákóczi Hitelszöv. „f.a.”***	292,613,917	d)	100	292,613,917	1,394,543
	12,666,189	f)	100	12,666,189	-
Ált. Közlekedési Hit.szöv. „f.a.”	3,185,248,659	d)	15	3,184,770,777	547,882
	12,116,449	f)	0	12,116,449	0
„Jógazda” Szöv.Tak.pénzt. „f.a.”	9,120,284,005	d)	18	9,005,011,501	118,678,285
	32,995,135	f)	0	32,995,135	0
Soltvadkert és Vid. Tksz. „f.a.”	33,500,460,942	d)	10.46541[4]	33,500,460,942	28,086,858
	106.842.418**	f)	0	99,991,846	0
Körmend és Vidéke Takarékszövetkezet "f. a."	23,027,619,602	d)	80	23,027,619,602	129,921,982
	87,508,599	f)		87,508,599	0
Orgovány és Vidéke Takarékszövetkezet "f.a."	47,239,287,640	d)	40	46,396,459,953	730,876,276
	192.855.450**	e)		174,555,349	0
Alba Takarékszövetkezet "f.a."	7,116,086,687	d)	25	7,076,927,109	39,306,066
	69,803,431	f)	0	69,803,431	0
Széchenyi István Hitelszövetkezet "f.a."	8,913,208,104	d)	28	8,723,479,812	206,874,476
	18,802,647	f)		18,802,647	0
Széchenyi Bank "v.a."	14,014,178,198	d)	15	12,805,927,232	
	13,336,619	f)		13,336,619	0
Tisza Takarékszövetkezet "v.a."	8,410,743,386	d)	75	8,348,623,137	171,433,294
	32,847,090	f)		32,847,090	0

“fa”: under liquidation , “va”: under final settlement

\* Creditor claims were reported until 28.02.2015.

\*\* The premiums that remained unpaid were also reported („Jógazda” Szöv.Tak.Pénztár: HUF 224,798; Soltvadkert: HUF 6,937,484)

\*\*\* Liquidation has been completed in the case of

Orgovány Tksz in the amount of HUF 18,300,101

[1] This proposal is included in the closing balance sheet prepared in 2013, but no final court decision has been reached yet.

[2] This proposal is included in the closing balance sheet prepared in 2013, but no final court decision has been reached yet.

[3] On the basis of the 2nd interim balance sheet submitted in February 2013, but not yet approved by the Tribunal of Budapest.

[4] On the basis of the liquidator's declaration of 23 January 2014.



## International activities

In 2014 the changes of deposit insurance regulations at European and global levels required NDIF to show active, more intense involvement than ever before. The year saw the adoption of the amended EU Directive on deposit insurance. Compliance with the new EU requirements that mostly pertain to cross-border compensation, and the development of the cooperation processes required national deposit insurance organisations to cooperate more closely than ever. In the busiest year during the 22 years of its existence NDIF performed beyond its strength at these forums.

### International Association of Deposit Insurers (IADI)

The most important task of IADI in 2014 was the review of the global deposit insurance standards on behalf of the Financial Stability Board (FSB). The managing director of NDIF also contributed to this work. In connection with this task important negotiations were held in Washington on 31 March and 1 April 2014, when a consultation committee enlarged by representatives from the International Monetary Fund (IMF), the World Bank, the EU Commission, the Basel Committee of Bank Supervision (BCBS) and the European Forum of Deposit Insurers (EFDI) (one representative from each) reviewed the 18 deposit insurance standards, as well as the draft methodology issued and approved for monitoring those standards. NDIF was represented by its managing director at this meeting.

Following the two-day meeting of the Executive Council of IADI on 25-26 June 2014 Warsaw hosted a conference on Bail-in and Deposit Insurance System Interaction. During the event, which was also attended by the chief legal counsel of NDIF, a separate session of lectures was devoted to the presentation and analysis of the recent crisis situations and crisis management practices, to the major risks identified for deposit insurers, such as valuation anomalies, double resolution costs in case of unsuccessful resolution efforts, as well as to the possible influence of deposit insurers on resolution processes.

The meeting of the Executive Council of IADI, the annual general meeting of the organisation, as well as the annual conference of the international deposit insurance community was held in Port of Spain on 19-24 October 2014. Under the title "Updated Core Principles to Strengthen the Financial Stability Architecture". With consideration to the proposals of regional committees, one of the decisions made was about the admission of the deposit insurance organisations of two Central European countries (Slovenia and Croatia) and of Norway to IADI.

### European Forum of Deposit Insurers (EFDI)

The EFDI EU Committee meeting was held on Malta on 6 March 2014. During the event the representative of the Internal Market and Services Directorate General informed those present about the background to the EU-level compromises reached in connection with the Deposit Insurance Directive. The English language talk on information supply to customers revealed that NDIF is in the lead in Europe with its consumer protection logo, the use of which is mandatory in Hungary ('bank deposits up to EUR 100,000 are insured by NDIF').

19 May 2014 saw the extraordinary meeting of EFDI in Brussels, where new officials were elected. After the resignation of Roberto Moretti (head of the Italian partner institution) Dirk Cupei, top official of the Association of German Private Banks in charge of deposit insurance became the second chairman of EFDI, while Patrick Loeb, head of the Swiss partner institution was elected to the post of vice-chairman.



The second annual meeting of the EFDI EU Committee was held on 22 May 2014. During the event, the managing director of NDIF was asked to talk about compensation within 7 working days and about advance payments in the compensation process. In his talk he argued for the introduction of compensation within 7 working days as soon as possible. His arguments included, among other things, that this would eliminate the extraordinary advance payment obligation raised by the European Commission. During the meeting the head of the French deposit insurance system recommended the establishment of a new working committee for the development of a comprehensive procedure for cross-border compensations in compliance with the new Directive.

In September 2014 another EU committee meeting was held in Rome for the establishment of a cross-border compensation working committee and the four working groups under its supervision in connection with the Deposit Insurance Directive. These four working groups are to review the legal, financial, IT and communications aspects of deposit insurance. Thierry Dissaux, head of the French deposit insurance fund (FGDR) was elected to lead the working committee. The communications manager of NDIF was appointed to head the communications working group, while the chief legal counsel of NDIF was elected to head the legal subcommittee in conjunction with the chief counsel of FGDR.

The last meeting of the EU committee was held in Naples on 6 November 2014. NDIF was represented by the managing director and the chief counsel at the meeting, which focused on the most important and most difficult issues of the transposition of the Directive into the national laws of the member states (e.g. protection of temporarily out-standing account balances), as well as deposit insurance payouts and bank resolution cases in certain countries (e.g. Poland, Croatia and Italy). During the event the chief legal counsel of NDIF informed the participants about the integration of savings cooperatives in Hungary, as well as about NDIF's compensation cases in 2014, and the latest professional experience gained.

## Bilateral relationships

In September 2014 the chief legal counsel and IT expert of the French Deposit Insurance and Resolution Fund (FGDR), as well as the heads and officials of the Armenian Deposit Insurance Fund (ADGF), the Moldavian partner institution, and the Deposit Insurance Fund of Kosovo and the Albanian Deposit Insurance Agency (ADIA) came to Budapest (the latter through USAID) for a working visit. During their stay the foreign counterparts studied the operational tasks related to compensation payout within 7 working days, the partner institutions involved in the compensation process, as well as the details of information supply to the customers.

## Balance sheet

Tax ID: 10830516-2-41

KSH statistical number: 10830516-6619-916-01

No.	Description / HUF thousand	31.12.2013	Effect of revision	31.12.2014
<b>1 A</b>	<b>FIXED ASSETS</b>	<b>35,356</b>	<b>0</b>	<b>51,604</b>
2 I.	INTANGIBLE ASSETS	17,130	0	45,236
3 I.1	Capitalised value of formation and transformation			
4 I.2	Rights and concessions	5,424		2,064
5 I.3	Intellectual property	11,706		43,172
6 I.4	Advance payments for intangible assets			
7 I.5	Revaluation of intangible assets			
<b>8 II.</b>	<b>TANGIBLE ASSETS</b>	<b>18,226</b>	<b>0</b>	<b>6,368</b>
9 II.1	Lands and buildings and related rights	1,083		1,002
10 II.2	Equipment, fittings, vehicles	5,240		5,366
11 II.3	Capital projects	11,903		0
12 II.4	Advance payments on capital projects			
13 II.5	Adjusted value of tangible assets			
<b>14 III.</b>	<b>FINANCIAL INVESTMENTS</b>			
<b>15 B</b>	<b>CURRENT ASSETS</b>	<b>96,928,705</b>	<b>0</b>	<b>64,442,766</b>
<b>16 I</b>	<b>STOCKS</b>	<b>595</b>		<b>595</b>
17 I.1	Materials			
18 I.2	Commercial goods	595		595
19 I.3	Mediated services			
20 I.4	Advances on stocks			
<b>21 II.</b>	<b>RECEIVABLES</b>	<b>4,951,237</b>	<b>0</b>	<b>54,123,379</b>
22 II.1	Receivables from member institutions	4,950,963		51,360,807
23 II.1.a	Premium receivables			
24 II.1.b	Receivables devolved to the Fund	4,950,963		51,360,807
25 II.1.c	Premiums on onerous obligations			
26 II.1.d	Other receivables from member institutions			0
27 II.2	Other receivables from credit institutions			149,506
28 II.3	Receivables from depositors			
29 II.4	Receivables from the state			
30 II.5	Other receivables	274		2,613,066
<b>31 III.</b>	<b>SECURITIES</b>	<b>91,892,145</b>	<b>0</b>	<b>9,132,076</b>
32 III.1	Government securities	91,892,145		9,132,076
33 III.2	Other securities			
<b>34 IV.</b>	<b>LIQUID ASSETS</b>	<b>84,728</b>	<b>0</b>	<b>1,186,716</b>
35 IV.1	Cash, cheques	367		169
36 IV.2	Bank deposits	84,361		1,186,547
<b>37 C</b>	<b>PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>2,316,605</b>		<b>187,450</b>
<b>38</b>	<b>TOTAL ASSETS</b>	<b>99,280,666</b>	<b>0</b>	<b>64,681,820</b>

Dr. András Fekete-Győr  
Managing Director of NDIF



National Deposit Insurance Fund  
BALANCE SHEET version ,A' LIABILITIES

No.	Description HUF thousand	31.12.2013	Effekt of revision	31.12.2014
39	D. EQUITY	99,164,164	0	61,831,347
40	I. REGISTERED CAPITAL	916,082		926,082
41	II. RESERVES	93,896,977		98,248,082
42	III. REVALUATION RESERVES			
43	IV. RETAINED PROFITS	4,351,105		-37,342,817
44	E. PROVISIONS			
45	F. LIABILITIES	100,756	0	2,847,966
46	I. LONG-TERM LIABILITIES			
47	II. SHORT-TERM LIABILITIES	100,756		2,847,966
48	II.1 Liabilities to member institutions			
49	II.2 Short-term loans			
50	II.3 Liabilities to depositors	78,054		0
51	II.4 Liabilities to the state			
52	II.5 Other short-term liabilities	22,702		2,847,966
53	G. ACCRUALS AND DEFERRED INCOME	15,746		2,507
54	TOTAL LIABILITIES	99,280,666	0	64,681,820

Budapest, 22 May 2015

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Dr. András Fekete-Győr  
Managing Director of NDIF

The recognised premium revenues from member institutions are stated among premium revenues from member institutions in NDIF's profit and loss statement. In the reporting year, member institutions were required to pay 1 per mill of their total deposit portfolio to NDIF. 100 % of the premium revenue is received from Hungary in HUF (Annex 1).

In addition to the aforesaid regular premiums, the Board of Directors did not set increased premiums in the reporting year. In the reporting year six institutions ceased to exist due to liquidation, and two because of merger.

NDIF received no subsidy in the reporting year.

Balance sheet

No.	Description / HUF thousand	31.12.2013	Effekt of revision	31.12.2014
1	1 Premium revenue from member institutions	7,299,193		12,133,584
2	2 Premium revenue from claims collected on behalf of depositors			
3	3 Commission revenue from disbursement of deposits insured with state guarantee			
4	4 Revenue from other deposit insurance	828,208		1,234,058
5	I. Revenues from deposit insurance (01+02+03+04)	8,127,401	0	13,367,642
6	II. Other revenues	172		9,252
7	III. Revenues from sources other than deposit insurance	8,917		583
8	IV. Revenues from financial transactions	7,544,735		7,325,536
9	V. Extraordinary revenues	0		0
10	5 Expenses related to the disbursement of frozen deposits			
11	6 Expenses related to receivables collected on behalf of depositors			
12	7 Expenses incurred on disbursement of deposits guaranteed by the state			
13	8 Other expenses of deposit insurance	10,993,502		57,416,629
14	VI. Expenses of deposit insurance (05+06+07+08)	10,993,502	0	57,416,629
15	VII. Other expenses	1,091		18,474
16	VIII. Expenses other than deposit insurance	3,467		362
17	IX. Expenses of financial transactions	87,883		314,900
18	X. Extraordinary expenses	0		0
19	9 Material type expenses	111,187		99,698
20	10 Payroll expenses	124,149		184,846
21	11 Depreciation write-off	8,842		10,921
22	XI. Operating costs (09+10+11)	244,177	0	295,465
23	A. RETAINED PROFIT FOR THE YEAR (I+II+III+IV+V+VI+VII+VIII+IX+X+XI)	4,351,105	0	-37,342,817



12

Medium-term strategy for the period 2014–2016

Maintain efficient indemnification capacity	Set up a risk-minimising deposit insurance system	Prepare for the tasks resulting from the Banking Union	Improve operating efficiency and safety
Close cooperation with CBH in setting up an early warning mechanism	Identify, regularly assess, evaluate and eliminate the operating risks affecting the institution	Establish close cooperation with the new institution of financial stability (bank resolution authority of CBH)	Set up and continuously test a modern and cost-effective information system (contingency planning)
Incorporate the amended provisions of the EU Directive on Deposit Insurance Systems in the practice of Hungarian deposit protection, create the technical conditions	Establish premium payment relying on broad consensus and individual risk analysis (deposit insurance risk map)	Achieve effective advocacy through the European Forum of Deposit Insurers (EFDI) and formulate cooperation with the European Banking Authority (EBA)	Facilitate coordinated cooperation of the institutions that comprise the safety net of the credit institution system in case of crisis
Strengthen efficient capacity to indemnify depositors	Participate in effective crisis prevention (bank recovery and resolution)	Establish a cutting-edge mechanism for cross-border depositor indemnification	International cooperation: review and renew existing bilateral agreements, (cross-border contingency planning)
Assess and involve innovative methods and new channels in order to strengthen customer-friendly indemnification		Set up cross-border supplementary financing capacity	

## Fulfilment of goals set for 2014

T	The projected goal has been fulfilled	K	To be launched later (future date)	E	Progressed as scheduled or remained within the budget limits	I	Action postponed due to re-grouping / change in priorities
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Goals and tasks set		Measured projected	Actions to be taken in 2014	Achievment
I. Maintain efficient indemnification capacity	Close cooperation with CBH in setting up an early warning mechanism	Expansion of the Cooperation Agreement between CBH and NDIF	Proposal and implementation	E
		Compliance with the legal and technical requirements of interinstitutional coordination of and involvement in bank recovery and resolution	Proposal and implementation	T
	Incorporate the amended provisions of the EU Directive on Deposit Insurance Systems in the practice of Hungarian deposit protection, create the technical conditions	Creating the legal and technical conditions for indemnification within 10 working days	Proposal and implementation	T
		Review of the SCV data structure	Implementation	K
		Continuous and extensive monitoring of the ability of member institutions to provide SCV data as per the Act	Proposal and implementation	E
		Continuous testing of KIR, as well as the testing of payout channels including paying agent bank partners	Proposal and implementation	T
		Introduction of the customer information sample form specified in the Directive into the practices of the member institutions	Implementation	K
		Participation and involvement in initiatives and organisations designed to improve financial culture	Implementation	T
		Developing an education plan, strengthening relations with higher education institutions, participation in research and training related to deposit insurance	Implementation	T
		Organisation of media meetings outside Budapest	Implementation	T
	Strengthen efficient capacity to	Strengthening parallel indemnification on the resource side (contingency planning)	Proposal and implementation	T
	indemnify depositors	Increasing the number of places where the deposit insurance card is accepted	Implementation	K
	Assess and involve innovative methods and new channels in order to strengthen customer-friendly indemnification	Searching for new innovative payment channels	Proposal and implementation	E
		Testing the NFC application	Proposal and implementation	T
		Testing safe QR code application	Proposal and implementation	K

Goals and tasks set		Measures projected	Actions to be taken in 2014	Achievement
II. Set up a risk-minimising deposit insurance system	Identify, regularly assess, evaluate and eliminate the operating risks affecting the institution	Creation of a risk assessor position	Proposal and implementation	E
	Establish premium payment relying on broad consensus and individual risk analysis (deposit insurance risk map)	Creation of the foundations of a risk-based premium payment system (optimum transfer concept)	Proposal and implementation	K
		Creation of the necessary resources	Proposal and implementation	E
II. Set up a risk-minimising	Participation in effective crisis prevention (bank recovery and resolution)	Depending on the legal regulation adopted in 2014 on the tools of bank recovery and resolution	Implementation	E
	Establish premium payment relying on broad consensus and individual risk analysis (deposit insurance risk map)	Development of fundamental inter-institutional relationships	Implementation	T
		Information and data exchange, analysis, technical harmonisation	Implementation	T
	Participation in effective crisis prevention (bank recovery and resolution)	Continuous monitoring and harmonisation of changes in the legal regulations related to the Banking Union	Proposal and implementation	E
	Establish close cooperation with the new institution of financial stability (bank resolution authority of CBH)			
	Achieve effective advocacy through the European Forum of Deposit Insurers (EFDI) and formulate cooperation with the European Banking Authority (EBA)	Taking the lead in the development of relations between EFDI and EBA	Proposal and implementation	E
		Knowledge transfer, participation in the exchange of international experience (IADI, EFDI)	Proposal and implementation	T
III. Prepare for the tasks resulting from the Banking Union	Establish a cutting-edge mechanism for cross-border depositor indemnification	Transfer of international deposit insurance experience to higher education institutions	Implementation	T
		Creation of the legal framework of joint actions (agreements) at the time of and prior to branch opening	Implementation	E
	Establish a cutting-edge mechanism for cross-border depositor indemnification	Technical harmonisation with the partner institutions	Implementation	E
		Harmonisation of customer communication tasks	Implementation	E
		Examination of the legal conditions	Implementation	E
	Set up cross-border supplementary financing capacity	Preparation of a draft stand-by financing agreement	Proposal and implementation	K



Goals and tasks set		Measures projected	Actions to be taken in 2014	Achievement
IV. Improve operating efficiency and safety	Development and continuous testing of a state-of-the-art and cost-efficient IT system (contingency planning)	Development of review of KIR (IT safety audit, regular testing)	Proposal and implementation	T
		Analysis of the design of IP based telecommunication	Proposal and implementation	K
		Analyse a parallel server environment (clustering data recovery through the DR site)	Proposal and implementation	T
		Website and mobile platform tracking	Proposal and implementation	E
		Searching for new communication platforms	Proposal and implementation	E
		Strengthening institutional readiness and responsiveness	Proposal and implementation	E
		Development of an operating environment triggering customer satisfaction	Proposal and implementation	E
	Facilitate coordinated cooperation of the institutions that comprise the safety net of the credit institution system in case of crisis	Participate in a crisis simulation exercise with CBH	Implementation	K
	Határokon átnyúló kiegészítő finanszírozási képesség megteremtése	Testing cross-border compensation payouts in conjunction with foreign partner institutions	Proposal and implementation	K

Banks	TOTAL
Banif Plusz Zrt.	-
Bank of China (Hungária) Hitelintézet Zrt.	88,914,877
BUDA Regionális Bank Zrt.	20,930,853
BUDAPEST Hitel- és Fejlesztési Bank Zrt.	469,875,681
CIB Bank Zrt.	922,457,672
Commerzbank Zrt.	101,914,000
Credigen Bank Zrt.	-
Dél-Dunántúli Takaréék Bank Zrt.	24,791,027
DRB Dél-Dunántúli Regionális Bank Zrt.	27,568,195
DUNA TAKARÉK BANK Zrt.	58,395,413
ÉRB Észak-magyarországi Regionális Bank Zrt.	47,995,532
ERSTE BANK HUNGARY Zrt.	902,283,853
FHB Kereskedelmi Bank Zrt.	184,969,691
GRÁNIT Bank Zrt.	36,381,576
KDB Bank Európa Zrt.	67,822,668
Kereskedelmi és Hitelbank Zrt.	1,207,205,823
Kinizsi Bank Zrt.	24,047,392
MagNet Magyar Közösségi Bank Zrt.	74,856,095
Magyar Cetelem Bank Zrt.	867,288
Magyar Export-Import Bank Zrt.	-
Magyar Takarékszövetkezeti Bank Zrt.	27,560,600
Merkantil Váltó és Vagyonbefektető Bank Zrt.	39,384,825
MFB Magyar Fejlesztési Bank Zrt.	8,659,045
MKB Bank Zrt.	1,140,502,604
Mohácsi Takaréék Bank Zrt.	28,352,083
NHB Bank Zrt.	6,942,692
OTP Bank Nyrt.	2,559,463,805
Pannon Takaréék Bank Zrt.	32,865,180
Polgári Bank Zrt.	28,507,349

Porsche Bank Hungaria Zártkörűen Működő Rt.	6,412,129
Raiffeisen Bank Zrt.	1,062,273,961
Sberbank Magyarország Zrt.	247,319,768
SOPRON BANK BURGENLAND Zrt.	34,397,768
Széchenyi Kereskedelmi Bank Zrt.	20,176,976
UniCredit Bank Hungary Zrt.	950,353,661
Banks total:	10,454,450,082
ABAÚJ Takaréék Takarékszövetkezet	5,751,199
AGRIA Bélapátfalva Takarékszövetkezet	5,303,745
ALBA Takarékszövetkezet	9,139,256
Alsónémedi és Vidéke Takarékszövetkezet	17,871,577
BÁCSKA Takarékszövetkezet	11,018,367
Bak és Vidéke Takarékszövetkezet	10,403,008
Bakonyvidéke Takarékszövetkezet	5,481,268
Balaton-felvidéki Takarékszövetkezet	7,040,587
Balmazújváros és Vidéke Takarékszövetkezet	9,133,039
Bátaszék és Vidéke Takarékszövetkezet	5,371,319
Boldva és Vidéke Takarékszövetkezet	6,596,096
Bóly és Vidéke Takarékszövetkezet	9,949,336
Borotai Takarékszövetkezet	8,598,841
BORSOD TAKARÉK Takarékszövetkezet	14,514,643
Bükkalja Takarékszövetkezet	6,766,077
Cserhátvidéke Körzeti Takarékszövetkezet	4,910,948
Dél-Zalai Egyesült Takarékszövetkezet	8,309,327
Drégelypalánk és Vidéke Takarékszövetkezet	3,604,224
Dunaföldvár és Vidéke Takarékszövetkezet	18,764,556
Dunakanyar Takarékszövetkezet	11,480,756
Dunapataj és Vidéke Takarékszövetkezet	3,197,815
Eger és Környéke Takarékszövetkezet	9,945,184
Endrőd és Vidéke Takarékszövetkezet	22,948,195
Ercsi és Vidéke Körzeti Takarékszövetkezet	2,671,213

Érd és Vidéke Takarékszövetkezet	12,572,109
Érsekvadkert és Vidéke Takarékszövetkezet	2,793,157
Észak Tolna Megyei Takarékszövetkezet	6,413,872
Fegyvernek és Vidéke Körzeti Takarékszövetkezet	5,866,429
Felsőzsolca és Vidéke Takarékszövetkezet	6,027,515
Fókusz Takarékszövetkezet	28,394,960
FONTANA Credit Takarékszövetkezet	23,987,196
Forrás Takarékszövetkezet	9,902,381
Főnix Takarékszövetkezet	10,774,080
Füzes Takarékszövetkezeti Hitelintézet	14,489,049
Gádoros és Vidéke Takarékszövetkezet	9,232,895
Gyöngyös-Mátra Takarékszövetkezet	14,786,859
Gyulai Takarékszövetkezet	4,451,508
HAJDÚ TAKARÉK Takarékszövetkezet	22,487,487
Hajdúdorog és Vidéke Takarékszövetkezet	3,278,952
Hajós és Vidéke Takarékszövetkezet	4,330,576
Hartai Takarékszövetkezet	2,705,468
Hatvan és Vidéke Takarékszövetkezet	13,409,001
Hévíz és Vidéke Takarékszövetkezet	7,967,965
Hodász-Porcsalma Takarékszövetkezet	2,180,812
Hungária Takarékszövetkezet	23,276,624
Jászárokszállás és Vidéke Körzeti Takarékszövetkezet	9,892,536
Jász-Takarékszövetkezet	9,454,548
Kápolnásnyék és Vidéke Takarékszövetkezet	8,740,821
Kaposmenti Takarékszövetkezet	3,351,985
Kéthely és Vidéke Takarékszövetkezet	7,288,716
Kevermes és Vidéke Takarékszövetkezet	5,941,257
KISKUN Takarékszövetkezet	6,512,677
Kis-Rába menti Takarékszövetkezet	9,039,595
Kiszombor és Vidéke Takarékszövetkezet	4,744,432
Kondorosi Takarékszövetkezet	12,279,636

Körmend és Vidéke Takarékszövetkezet	3,293,259
Környe-Bokod Takarékszövetkezet	12,421,739
Kunszentmárton és Vidéke Takarékszövetkezet	18,507,184
Lakiteleki Takarékszövetkezet	6,435,845
Lébény-Kunsziget Takarékszövetkezet	5,406,304
Lövő és Vidéke Takarékszövetkezet	10,725,184
MECSEK TAKARÉK Szövetkezet	18,366,119
Nagyecsed és Vidéke Takarékszövetkezet	3,632,221
Nagykátá és Vidéke Takarékszövetkezet	9,373,428
Nagyréde és Vidéke Körzeti Takarékszövetkezet	1,242,767
Nemesnádudvar és Vidéke Takarékszövetkezet	3,748,077
Nyírbélteki Körzeti Takarékszövetkezet	5,979,021
Nyúl és Vidéke Takarékszövetkezet	11,306,795
Orgovány és Vidéke Takarékszövetkezet	36,163,757
Örkényi Takarékszövetkezet	15,796,239
Pannonhalma és Vidéke Takarékszövetkezet	11,688,644
Partiscum XI Takarékszövetkezet	10,526,204
Pátria Takarékszövetkezet	39,021,131
Pilisvörösvár és Vidéke Takarékszövetkezet	19,740,820
PILLÉR Takarékszövetkezet	11,887,551
Rábaközi Takarékszövetkezet	10,165,228
Rajka és Vidéke Takarékszövetkezet	36,022,404
Rakamaz és Vidéke Körzeti Takarékszövetkezet	9,860,252
Répcelak és Vidéke Takarékszövetkezet	7,114,513
Rétköz Takarékszövetkezet	4,816,463
Ricse és Vidéke Takarékszövetkezet	1,213,051
Rónasági Takarékszövetkezet	21,318,233
Rum és Vidéke Takarékszövetkezet	10,099,968
Sajóvölgye Takarékszövetkezet	14,127,815
Sárbogárd és Vidéke Takarékszövetkezet	5,853,312
SAVARIA Takarékszövetkezet	22,938,365

Solt és Vidéke Takarékszövetkezet	1,689,124
Somogy Takarékszövetkezet	11,757,479
Szabadszállás és Vidéke Takarékszövetkezet	5,734,711
Szabolcs Takarékszövetkezet	23,638,524
Szarvas és Vidéke Körzeti Takarékszövetkezet	7,645,261
Szatmár-Beregi Takarékszövetkezet	10,486,236
Szatymaz és Vidéke Takarékszövetkezet	4,062,364
Szécsény és Környéke Takarékszövetkezet	2,477,468
Szeghalom és Vidéke Takarékszövetkezet	9,628,725
Szegvár és Vidéke Takarékszövetkezet	20,598,532
Szendről és Vidéke Takarékszövetkezet	2,729,068
Szentgál és Vidéke Takarékszövetkezet	8,379,943
Szentlőrinc-Ormánság Takarékszövetkezet	9,311,496
Szerencs és Környéke Takarékszövetkezet	4,197,380
Szigetvári Takarékszövetkezet	50,251,356
Téti Takarékszövetkezet	9,566,897
Tisza Takarékszövetkezet	9,915,696
Tiszafüred és Vidéke Takarékszövetkezet	15,038,049
Tiszavasvári Takarékszövetkezet	10,749,624
Tompa és Vidéke Takarékszövetkezet	1,536,945
Turai Takarékszövetkezet	8,775,377
Újszász és Vidéke Körzeti Takarékszövetkezet	6,338,843
Vámosgyörk és Vidéke Takarékszövetkezet	1,765,039
Veresegyház és Vidéke Takarékszövetkezet	10,947,344
Zalavölgye Takarékszövetkezet	5,653,540
Zemplén Takarékszövetkezet	5,385,452
Zirci Takarékszövetkezet	14,353,572
Zomba és Vidéke Takarékszövetkezet	12,314,572
Cooperative savings banks total:	1,209,066,184
Aegon Magyarország Lakás-takarékpénztár Zrt.	-
ERSTE Lakás-takarékpénztár Zrt.	8,729,937

Fundamenta-Lakáskassza Lakás-takarékpénztár Zrt.	271,581,940
OTP Lakástakarékpénztár Zrt.	173,571,140
Home savings banks total:	453,883,017
Magyar Vidék Hitelszövetkezet	477,640
Széchenyi István Hitelszövetkezet	7,865,012
Szentesi Hitelszövetkezet	4,833,969
Tiszántúli Első Hitelszövetkezet	3,007,621
Credit unions total:	16,184,242
Total premiums paid by member institutions:	12,133,583,525



## National Deposit Insurance Fund of Hungary

### Annual report 2014

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National Deposit Insurance Fund of Hungary



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