

# Information on the adoption of the Euro as the official currency

We are bringing you the most important information about the changes that will happen on January 1, 2023, when the Euro becomes the official currency in the Republic of Croatia, which relate to your dealings with Erste&Steiermärkische Bank d.d. (hereinafter: Erste Bank).

We are informing you about these changes in accordance with Article 61, paragraphs 1 and 2 of the Act on the adoption of the Euro as the official currency in the Republic of Croatia ("Official Gazette" No. 57/2022) (hereinafter: the Act) and the Decision on the content of the notice on the essential elements of conversion.

## Conversion rules



On the date of Euro adoption, 1 January 2023, **all Kuna amounts will be converted into Euro** on your deposit, savings and transaction accounts, other payment accounts, payment instruments, loans and in other records in Kuna and other monetary statements, using a fixed conversion rate according to conversion and rounding rules found in Article 14 of the Act.

**No fee will be charged** for conversion and the unique account number will not be changed.

The fixed conversion rate is **HRK 7.53450** for **EUR 1.00**. Converted amounts **will be rounded to two decimal places**, in accordance with the mathematical rules of rounding:

- if the third decimal place is less than five, the second decimal place remains unchanged (for example, HRK 100 = EUR 13.27228, rounded to EUR 13.27) and
- if the third decimal is equal to or greater than five, the second decimal is increased by one (for example, HRK 50 = EUR 6.63614, rounded to EUR 6.64).

## The principle of continuity of legal instruments

The adoption of the Euro as the official currency does not affect the validity of existing contracts and legal instruments in which the Kuna currency is specified.

## Changes due to Euro adoption

### Payment orders in Kuna received before the adoption of the Euro

All Kuna payment orders received before the day of Euro adoption, which are to be executed after the day of Euro adoption, will be executed in Euro. The amount in Euro will correspond to the amount in Kuna specified on the payment order, and the fixed conversion rate and rules for conversion and rounding will be applied.

## Loans and deposits contracted with a currency clause

All loan and deposit amounts, which were contracted with a Euro currency clause, will remain and continue to be expressed in Euro after the Euro adoption without the application of the currency clause and in accordance with the conditions of the current contract.

## Closing the account without a fee

If you have separate Kuna and Euro accounts, and you do not want to continue to use some of these accounts from January 1, 2023 and pay a fee for them, you can close one or more of the accounts free of charge and transfer the funds to an Erste bank account of your choice. You can exercise this right within **60 days of the Euro adoption**. If you do not exercise this right, you will continue to pay the fees for these accounts.

If you have contracted Kuna and foreign currency operations under a unique account number (for example, IBAN) separately, account transactions will be merged on December 31, 2022, and the account will have a multi-currency functionality. Only one fee will be charged for that account.

## Dual pricing



The period of dual pricing begins on September 5, 2022, and ends on January 1, 2024.

Pursuant to Article 46 of the Act, we must disclose essential information for the following prices and monetary amounts during the period of dual pricing:

- **Fees for products and services** (in the Excerpt from the Decision on Fees and Excerpts from the Catalog, which are available in branches and on the [erstebank.hr](https://www.erstebank.hr) website)
- **Report on transaction account balance and turnover** that is intended for HRK transactions until December 31, 2022, including the **initial and final account balance and the overdraft amount**
- In George online banking service for transaction account used for Kuna transactions until December 31, 2022 (**account balance and overdraft amount or available balance on at least one menu/screen in the account view**)
- When withdrawing cash at Erste Bank's ATMs, for the amounts shown on the selection screen and when requesting account balance and printout, if the cash is withdrawn by an Erste bank client
- In the case of a consumer loan agreement in Kuna that was approved or offered before the day of Euro adoption - **the total amount of the loan and the amount of instalments or annuities in the repayment plan and in the European Standardized Information Sheet (ESIS)**
- In the annual notification on the Kuna loan balance\* - **balance of overdue debt and overdue unpaid debt**
- In the annual notification on the balance of deposits in Kuna\* - **deposit balance**.

## Temporary unavailability of services

Due to the technical complexity of the Euro adoption, at the end of December 2022 and the beginning of January 2023, the availability of the following services will be limited: ATMs, George online banking and card usage. We will inform you about the exact period of unavailability of these services in a timely manner on our website and via other communication channels (for example, in the George application, by e-mail, etc.).

## Notice on contracted products

During the first half of December 2022, pursuant to the Act, we will send you an individual notice about the conversion of your deposits and/or loans in Kuna or with a Euro currency clause, which have not been cancelled or are due in full, by regular mail to your contact address or permanent/temporary residence address. If you want to receive the notification by e-mail, visit us in one of our branches, where we will register your contact e-mail address.

For additional information about the adoption of the Euro and all the procedures by which we want to ensure a simpler change of the official currency, please see [erstebank.hr](https://www.erstebank.hr).

\* Annual notifications are sent pursuant to Credit Institutions Act.