

INFORMATION

Hungarian Settlement Bond Program

Hungary provides opportunity for all third-country citizens and their immediate family members - if specified conditions are met – to obtain permanent residence permit by purchasing government bonds since 2013.

About Hungary, in brief:

Hungary is a member state of the EU since 2004, and joined the Schengen Agreement in 15 November, 2007. In comply with the Schengen Agreement the border control between the joined countries is abolished, the control of the area outside the border is carried out jointly. Different countries police, administrative and judicial bodies support each other through intergovernmental cooperation in detecting and preventing violations.

- The parties to the Schengen Agreement, but are not currently using following countries: United Kingdom, Ireland, Cyprus, Romania, Bulgaria.
- The parties to the Schengen Agreement, but non-EU member countries are: Switzerland, Liechtenstein, Iceland and Norway.

What makes obtaining permanent residence permit possible?

Act II of 2007 on the Admission and Right of Residence of Third-Country Nationals was amended by the law-making body in Hungary, the parliament, by adopting Act CCXX of 2012.

Act CCXX of 2012 disposes and also regulates issuing of permanent residence permits with reference to national economic interest. The law states that the third-country citizen who applies verifies that he/she or a company in which he/she holds a majority stake own(s) a security with a face value of at least EUR 300 000 and with a maturity of at least five years which security is issued by an enterprise recognised by Hungarian government.

The full text of the Act is included in the Annex No1.

Why it is worth to buy bonds?

Under the program, in the one-time, 5-year government bond investment the applicant and his family can obtain a lifelong residence permit in Hungary, which provides free travel in the Schengen region. The program features a fast and simple administration, contrary to the general application process.

Who can participate in the program?

All foreign citizens and close relatives who meet the requirements and comply with the terms of Act CCXX of 2012 namely

- they are in possession of a valid travel document;
- those who do not come under the scope of SIS warning related to admission or residence ban or international arrest warrant;
- They are in possession of necessary amount of EUR 300 000 and administration fee of minimum 60.000 EUR.

How many people can share in preferences by buying one package of bonds?

In case of purchasing of a EUR 300 000 bond package the bond purchaser, and close relatives specified in the application under the family reunification program obtain permanent residence permit.

What does close relative mean?

A close relative of bond purchaser should be understood as a spouse (husband or wife), their dependent children living in common household, and parents supported by investor.

Aggregate preferences cannot be given to other relatives.

What is to be done in case of purchasing bonds?

The filled in registration form, the copy of the travel documents of the applicant and his/her close relatives should be transmitted to us electronically, as well as apostille copies of the documents supporting the phylogenetic relationship (marriage certificate, birth certificate, Certificate of Good Moral Character) and a copy of proof of funds on required bond amount.

How does the purchasing and the application process of a permanent residence permit work?

After registration form, the collateral certificate have been sent via electronic transmission and the required documents by post, if

The administration is made abroad:

- We shall send for you by post the contract with the company issuing bonds and the commission contract with the attorney at law.
- After signing the contracts investor shall pay out the amount of the bonds and administration fee.
- After the financial performance we will send you those documents by post which should be used for submitting the application for the permanent residence permit at the competent Hungarian Embassy according to the nationality in compliance with previously asked time by us in person, and for carrying out the necessary signatures, authentication of the documents, and the recording of biometric data.
- Based on submitted application for the permanent residence permit, certified documents and biometric data the Office for Immigration and Nationality will carry out the necessary examinations (in 30 days).
- If the examinations are positive, the permanent residence permits will be produced for the purchaser of the bond and his/her family members which we will send you at your place of residence by post.
- From the receipt of the permanent residence permit the applicant can travel to the member countries of the Schengen region and between them freely.

The administration made in Hungary:

- The contracts with the company issuing bonds, the obligatory commission contract with the attorney at law and the authorisation of the attorney at law have been signed.
- After mutual signing of documents the investor pays out the amount of the bond and administration fee.
- After the financial settlement the application for the permanent residence permit will be submitted in person at the Hungarian Office of Immigration and Nationality in compliance with previously asked time by us, and the biometric data will be recorded as well.
- After submitting of the application the Hungarian Office for Immigration and Nationality will carry out the necessary examinations during 30 days.
- If the result of the examinations is positive, the permanent residence permit will be handed over for the applicant and his/her family members personally after 21 days.
- From the receipt of the permanent residence permit the applicant can travel to the member countries of the Schengen region and between them freely.

What is the processing time?

The administration period will last 51 days after the submitting the application for the permanent residence permit, if no remark for completion of documents is made.

It is important to note that the application of each member of the family is treated as a separate application, so if a family member has a notice for completion of documents, the deadline for this procedure does not suspend the time for the rest of the family.

How long does the permanent residence permit valid?

The investor's permanent residence permit is a kind of life-long law, till the owner does not commit a crime, which implies its withdrawal. The card proofing the permanent residence permit shall be renewed every 5 years, from the day of receiving of this card the owner of this card can travel, stay and do business in the member countries of the Schengen region freely.

What kind of rights provides the permanent residence permit?

The holder of the licence can enjoy equal treatment with nationals regarding:

- access to paid and unpaid employment, conditions of employment and working conditions (working hours, health and safety standards, holiday entitlements, remuneration and dismissal);
- homemaking interest subsidy of law;
- education and vocational training, recognition of qualifications and study grants;
- welfare benefits (family allowances, retirement pensions, etc.) and sickness insurance;
- social assistance (minimum income support or retirement pensions, free health care, etc.);
- social benefits, tax relief and access to goods and services;
- freedom of association and union membership and freedom to represent a union or association;
- free access to the entire territory of the EU country concerned;

After 8 years of obtaining the permanent residence permit they will be entitled to apply for Hungarian citizenship, in case of compliance with the recruitments provided by the law.

What are the costs of the program?

The total payable cost of Hungarian Government Bond Programme for the investor and his family is the administration fee, which amounted to minimum 60,000 EUR (in case of Adult Child's and Parent's application another 10.000 EUR/person). The investor as a state guarantee is obliged to buy a minimum of 300,000 Euro nominal value residency bond issued by the Government Debt Management Agency Plc. which the investor will get back interest-free in lump sum, after the five-year period has elapsed.

What is the guarantee for repayment of the bond?

Those issuing companies with territorial jurisdiction are authorized for purchasing of investment bonds, which has approval of the Economic and Information Technology Committee of the Hungarian Parliament. The bonds bought under the name of the applicant from the Government Debt Management Agency Plc. are non-negotiable, may not be sold on secondary market, therefore the bond issuing company with territorial jurisdiction may not assign the bond to the applicant, but a corporate bill of exchange or a corporate bond can be issued as a collateral and handed over to the applicant.

Besides the international agreements of civil rights the investors of bonds shall be granted bank guarantee of internationally accepted banks for the repayment of the invested min. amount 300,000 EUR.

This information booklet contains general information about the program. If you have any individual question, you will receive detailed information.

*Settle down in Hungary,
live in the European Union!*

