

Amendments to the Supplementary Agreement governing the relationship between the Bank of Cyprus Public Company Limited and its Customers with respect to Payment Accounts (the “Supplementary Agreement”)

Dear customer,

We would like to inform you that in order to facilitate the speedier execution of payments, the Bank is introducing Instant Credit Transfers. Thus, we will proceed with amendments to the abovementioned Supplementary Agreement, with effect as of 01/07/20204. The full text of the Supplementary Agreement, as revised, is already available on the Bank's website at www.bankofcyprus.com/psd2, as well as at all branches of the Bank.

The following bank accounts have been determined by the Bank as Payment Accounts:

- i) Current accounts with or without limit.
- ii) Savings accounts.
- iii) Credit Card accounts.
- iv) Notice accounts from which Payment Transactions are permitted without limitation on the basis of their specific terms of operation (other than the obligation of the customer to provide prior notice).

In summary, the main amendments to the Supplementary Agreement concern the following:

1) Addition of definition of Instant Credit Transfer in paragraph 2, as follows:

“Instant Credit Transfer” means a credit transfer in Euros which is executed immediately, 24 hours a day and on any calendar day within the Single Euro Payments Area (SEPA).”

2) Addition of paragraph 8.3.5, which concerns the Execution of Instant Credit Transfers, as follows:

8.3.5. In the case of Instant Credit Transfers:

- i) *The Customer may instruct the Bank to transfer within 10 seconds, an Instant Credit Transfer to the Payment Service Provider of the Payee provided that such Payment Service Provider accepts such Instant Credit Transfers. The Payee’s Payment Service Provider is required to make the amount available to the Payee immediately. If the Payee’s Payment Service Provider does not make the funds available to the Payee for any reason, the Bank shall immediately notify the Customer in accordance with paragraph 6.*
- ii) *Once the Payment Order for an Instant Credit Transfer has been received by the Bank, the Customer may no longer revoke it.*
- iii) *A daily transaction amount limit and/or an amount limit per transaction may apply, which is set by the Bank based on its risk acceptance policy and/or for the prevention of fraudulent transactions.*
- iv) *If the Bank receives an Instant Credit Transfer to a Payment Account held in Euros, it will accept the transferred amount provided (a) the Instant Credit Transfer has not surpassed the internal security limit,(b) there are no sanctions and/or restrictive measures and/or prohibitions imposed by the authorities of the Republic of Cyprus, the European Union (EU), the United States of America (US), the United Kingdom (UK), the United Nations (UN) and of any other third country and/or (c) there is no other objectively justified reason for rejecting the transferred amount relating to the security of transactions or otherwise.*
- v) *There may be periods of non-availability for planned downtime or planned maintenance that is both foreseeable and short and the Customer shall have been informed in advance of those periods of planned downtime or planned maintenance.*

3) Amendments of paragraph 8.5 which concern the Refusal to Execute Payment Orders so as to be applicable also for Instant Credit Transfers and addition of sub paragraph ix), as follows:

8.5. Refusal to Execute Payment Orders/Instant Credit Transfers

8.5.1. The Bank shall be entitled to refuse to execute a Payment Transaction and shall not be liable for any loss suffered by the Customer, in the following circumstances:

- i) where there is no available balance in the Payer's Account during the execution of the Payment Transaction,*
- ii) where there is an implication or suspicion of fraud,*
- iii) where there is an implication or suspicion of an illegal Payment Transaction,*
- iv) where there is an implication or suspicion of improper use of the Customer's Account,*
- v) where the Payment Order given by the Customer is incomplete or false or believed to not have originated from the Customer,*
- vi) where the Customer is deceased, if he is a natural person,*
- vii) where the Payment Instrument has surpassed the internal security limit,*
- viii) for any other objectively justified reasons relating to the security of the Payment Instrument.*
- ix) where the Bank has to comply with and/or manage the risk related to sanctions and/or restrictive measures and/or prohibitions imposed on the Customer by the authorities of the Republic of Cyprus, the European Union (EU), the United States of America (US), the United Kingdom (UK), the United Nations (UN) and of any other third country.*

Thank you for banking with us.

Sincerely,

BANK OF CYPRUS PUBLIC COMPANY LTD