

## Description of payment services

### Cash deposits

Deposits of local and foreign banknotes in a payment account.

This service is offered through the Bank of Cyprus Public Company Limited (the 'Bank') Branch Network as well as through the Bank's ATMs.

Where the payment account is held in a currency other than the one of the cash that is deposited, a conversion from one currency to another will be carried out by using the exchange rate specified for that day according to the Bank's Exchange Rate Table. The conversion is subject to a charge on the basis of the official Table of Commission and Charges of the Bank.

The amount of money that is deposited in Euro in the same currency account shall be immediately available on the same value date in cases where the customer is a consumer. The amount of money that is deposited in Euro in a different currency account (i.e. a currency conversion is required) it shall be immediately available with a value date that is set two business days after the date of deposit.

Where the payment account is held by a non-natural person, the amount shall be available with a next business day value date if no currency conversion is carried out; if a currency conversion is carried out, the value date will be two days later.

The Bank's cut-off times, as these are declared from time to time, shall apply. When the deposit is made after the relevant cut-off time, it is considered to be executed on the next business day, by moving the above dates (value and availability) by one business day.

The Bank reserves the right to decline the cash deposit if it considers that by executing such an action it will be in breach of applicable Laws and Regulations.

### Cash withdrawals

The withdrawal of cash (banknotes and coins) by debiting a payment account.

This service is offered through the Bank's Branch Network and the Bank's ATMs (banknotes only).

Where currency conversion is required at the time of the withdrawal, the exchange rate applicable on that day shall be used, as specified in the Bank's Exchange Rate Table. The conversion is subject to a charge on the basis of the official Price List of the Bank.

The Bank applies maximum amounts of withdrawal. For the purpose of withdrawing a larger amount than the one specified, the customer should consult the Bank's Branch through which he/she will make the withdrawal so that there is sufficient cash available for this purpose. The same also applies where withdrawals are made of a large number of banknotes of a specific value or coins.

The Bank reserves the right to refuse the withdrawal of cash if it considers that by carrying out such an action it will be in breach of applicable Laws and Regulations.

## Foreign currency exchange

Conversion of one banknote to another, upon delivery of an equivalent amount by the customer.

For the exchange of banknotes, the Exchange Rate Table for the particular day is used and a charge is imposed as described in the official Price List of the Bank.

The Bank reserves the right to decline the exchange of cash if it considers that by carrying out such an action it will be in breach of applicable Laws and Regulations.

## Direct Debits

Orders given by the beneficiary for the execution of a payment transaction from the payer's payment account. The payer gives his express consent (written or otherwise) to the beneficiary for the execution of the payment transaction (debiting the payer's account and transfer of the amount to the beneficiary's account).

The payment transaction may be repeated or single.

The agreement between the payer and the beneficiary as well as any amendments or cancellations thereof are held by the beneficiary for record purposes.

Upon receipt of the beneficiary's order, the payer's account is debited either at the end of the business day preceding the declared execution date or in the morning of the execution date. Where the execution date is a non-business day, the payment transaction is executed on the next business day.

The payer has the right to request reimbursement of the amount that arose from the direct debit transaction within certain time limits, as follows:

- Within eight (8) weeks from the date of debiting the account, for transactions for which the payer's consent has been given to the beneficiary. The Bank must repay the full amount of the transaction by crediting the payer's account with value date the date that it was initially charged

and

- More than eight (8) weeks and within thirteen (13) months from the date of execution, for transactions for which the payer considers that his consent has not been given. The Bank shall investigate the matter and depending on the outcome, shall inform the payer of the reimbursement of the amount or notify the reasons for the refusal to reimburse the amount, unless by doing this it will be in breach of applicable Laws and Regulations.

The above do not apply

- (a) when the payer has given his consent to the execution of the payment transaction directly to the Bank; and
- (b) as the case may be, the information on the future payment transaction is provided or made available to the payer at least four weeks before the intended execution date, by the payment service provider or by the beneficiary and/or
- (c) where there are specific conditions as referred to in the Supplementary Agreement governing the relationship between the Bank and its clients.

**Where a direct order is not executed by the Bank due to insufficient funds, a charge is applied in accordance with the Bank's Table of Commission and Charges.**

### **Standing orders**

Instructions for regular transfers of a specified amount of money at pre-determined regular intervals between payment accounts, of the same or different customer, which are executed either to a payment account within the Bank or in a payment account maintained in another local Bank, following the payer's standing orders.

Only standing orders in Euro are accepted and provided that, for transfers of money within the Bank, both the payer's account and the beneficiary's account are in Euro.

For money transfers outside the Bank, the payer's account must be in Euro.

The frequency, modification or termination of their execution is the customer's responsibility.

### **Transactions by using a card**

A card is an electronic means of payment used for initiating a payment order. It is used at actual as well as virtual points of sale (via the internet). It is also used for withdrawing cash from ATMs.

A card may either be a

- Debit card – it operates based on the availability of the amount in a payment account.
- Credit card - It operates on the basis of the availability of the amount of the credit limit that was granted to the payer.

The use of the card requires the use of personalized identification numbers (PINs). The customer has an obligation to keep them safe so as to reduce the risk of fraud or unauthorized access to a payment account.

The customer may dispute the validity of payment orders executed by card, by filing a claim either through the Bank's Branches or through the 1bank Digital Service Channels.

In most cases, the Bank is required to investigate and resolve the dispute by the end of the next business day following the client's statement of objection, unless explicitly stated otherwise in the Cards Terms and Conditions.

The Bank reserves the right, where it deems necessary, to delay the reimbursement of funds for the purpose of further investigation. In such a case, the Central Bank of Cyprus shall be informed accordingly. The customer shall be notified of the refund or of the reasons for refusing to refund the amount as per the Cards Terms and Conditions.

More information on the terms of use of the cards is set out in the Cards Terms and Conditions and the Prepaid Cards Terms and Conditions which are posted on the Bank's website.

## **Payment initiation services**

Services offered by another Bank or by another Third Party Provider ('TPP') (this may be another Bank or an organization licensed for this purpose) to which the applicant's consent has been granted in order to be able to initiate electronic payments by charging an account held with the Bank and provided that it is accessible via the internet (internet banking).

At this stage, this service is only offered for the personal accounts of subscribers themselves. It is not available to company accounts, joint personal accounts and third party accounts which are managed by a subscriber with the owner's authorization.

The licensing of TPPs is the responsibility of the Central Bank of Cyprus or that of another European Competent Authority. The register of providers which are licensed by the Central Bank of Cyprus is posted on the Central Bank's website. The register of providers which are licensed by other European Authorities can be found on the website of the European Banking Authority (EBA).

The applicant has the ability of entering, through the Digital Service Channels (1bank) the TPPs through which it wishes to allow payments to be initiated from its accounts.

The TPP from whom a request for initiation of payment is received is responsible for the correct execution of the payment.

The TPP is responsible for any delay in sending the payment initiation request. The Bank is responsible for processing the payment or for any payment carried out by mistake. In this case, the Bank undertakes to make corrective entries by the end of the next working day following the date on which the customer submitted the request.

The applicant is liable in cases where he/she loses, omits to keep safe or discloses his/her personalized identification number (PIN) to third parties.

Both the Bank and the TPP must meet the necessary standards for the protection of personal data and the technical standards for verifying the authenticity of the applicant's instructions (e.g. one-time password - OTP).

Instructions received by the Bank through a TPP cannot be withdrawn.

## **Account information services**

An online service which undertakes, with the consent of the applicant, to collect aggregated information about one or more of his/her accounts held in various banking institutions.

This service may be offered by another Bank or by another Third Party Provider ('TPP') (this may be another Bank or another Organisation licensed for this purpose).

The licensing of TPPs is the responsibility of the Central Bank of Cyprus or that of another European Competent Authority. The register of providers which are licensed by the Central Bank of Cyprus is posted on the Central Bank's website. The register of providers which are licensed by other European Authorities can be found on the website of the European Banking Authority (EBA).

The applicant may authorize the TPPs through whom he wishes to collect information on his/her accounts. This service is offered only to the subscribers of Digital Service Channels (1bank) and, at this stage, only for his/her own personal accounts. It is not offered for corporate accounts, joint personal accounts and third party accounts managed by a subscriber under the owner's authorization.

Both the Bank and the TPP must meet the necessary standards for the protection of personal data and the technical standards for verifying the authenticity of the applicant's instructions (e.g. one time password - OTP).

## **Credit transfer**

Transfer of funds with the instructions of the principal for debiting his/her payment account and crediting the beneficiary's account. The principal and the beneficiary may be the same person.

Where the accounts of the principal and the beneficiary are held within the Bank, the payment transaction is carried out immediately and the money is readily available in the beneficiary's account.

If the beneficiary's payment account is held with another banking institution within the European Economic Area, the Bank has the responsibility of making the funds available to the beneficiary's bank not later than the next business day, provided that the order for the execution of the payment transaction:

- Was received within the time limits specified by the Bank.
- Was received by electronic means. If an order is received in paper form (including fax), the money is made available to the beneficiary's bank one business day later.
- Does not require any currency conversion from/to a currency of a non-member state.

If it is considered that an investigation of the credit transfer is necessary and/or if this is required by applicable Laws and Regulations, the Bank may delay the processing of the transaction without informing the payer.

When transferring funds outside the Bank, intermediary banks may be used which, as the case may be, may sever part of the capital before handing it over to the beneficiary or to the beneficiary's bank. For payments within the European Economic Area (EEA) and in the currencies of EEA Member States the amount is transferred in full without being severed by an intermediate bank.

The bank that holds the beneficiary's account is responsible for crediting the beneficiary in a timely manner.

If the beneficiary's payment account is held in another banking institution outside the European Economic Area, the Bank is responsible for making the funds available to the beneficiary's bank not later than four working days after receipt of the order for the execution of the payment.

The date of receipt of the order is considered to be the date of execution declared by the payer.

For each credit transfer order, charges are applied in accordance with the Bank's Table of Commissions and Charges applicable from time to time.

### **Incoming credit transfers**

The beneficiary's account is credited and the amount is made readily available on the same day that it is received from another bank (whether local or not), unless the amount needs to be converted to/from the currency of a non-Member State of the European Economic Area; in this case, the amount is made available two business days after the account is credited.

Should the Bank, for various reasons, need to investigate the transfer of the credit or is required by the Laws and Regulations, it may delay or refuse to proceed with the transaction without informing the beneficiary or the payer in this respect.

Where currency conversion is required in order to effect the credit transfer (outgoing or incoming), the exchange rate of that day is used, as this is set out in the Bank's Exchange Rate Table. The conversion is subject to a charge based on the official Price List of the Bank.

Furthermore, other charges may apply according to the Bank's Table of Commissions and Charges applicable from time to time.

### **Refusal to execute a payment transaction**

The Bank may refuse to execute a transfer of funds (e.g. due to unavailability of funds, incomplete data, prohibition from other legislation, etc.), by disclosing its refusal to the applicant in the manner that is most appropriate for the Bank.

In respect of any refusal to execute that is done for objectively justified reasons, the Bank reserves the right to apply charges, as the case may be.

### **Challenge of a transaction**

The applicant / subscriber has the right to challenge the validity of one or more transactions that appear in his account statement for a variety of reasons, including unauthorized transactions, incorrect charge of amount or double billing.

The transaction dispute process mainly concerns transactions carried out through Digital Service Channels (1bank) and Third Party Providers (TPPs).

The challenge of the transaction is filed either through the Bank's Branches or through the Digital Service Channels (1bank).

The Bank shall immediately investigate disputed transactions in order to respond within 24 hours of the customer's request, unless this is in breach of any applicable Legislation or Regulation.

The Bank reserves the right to apply charges for any unjustified challenge of a transaction, as the case may be.