

**Terms and Conditions applicable to Credit Transfers under the SEPA Scheme between Bank of Cyprus Public Company Ltd (hereafter "Bank of Cyprus") and Beneficiaries of Credit Transfers**

A credit transfer under the SEPA Scheme (the "Scheme") is a payment instrument for the execution of credit transfers in euro between customer payment accounts located in the Single Euro Payment Area (SEPA). SEPA encompasses the EU member states together with Iceland, Liechtenstein, Norway and Switzerland.

**I. Definitions:**

All terms capitalized and not defined shall have the meaning given to them in the Credit Transfer Scheme Rule Book. All definitions are considered part of these "Terms and Conditions".

**Credit Transfer Scheme Rulebook:** The Rulebook issued by the (EPC) European Payments Council in relation to the Single European Payments Area (SEPA) scheme, as such Rulebook is amended from time to time (the "Rulebook").

**Originator:** The customer who initiates a credit transfer under the Scheme by providing the Originator Bank with an instruction. The funds for such credit transfer must be made available by means of a debit from a specified payment account of which the Originator is account holder.

**Originator Bank:** A bank which participates as a Participant, as the term is defined in the SEPA Transfer Scheme Rule Book and which receives the Credit Transfer Instruction from the Originator and acts on the Credit Transfer Instruction by making the payment to the Beneficiary Bank in favour of the Beneficiary's account according to the information provided in the Credit Transfer instruction and in accordance with the provisions of the Scheme.

**Beneficiary:** The natural, legal or other entity or body identified in the Credit Transfer Instruction who receives the funds by means of a credit to its payment account.

**Beneficiary Bank:** A bank that participates as a Participant, as the term is defined in the Credit Transfer Scheme Rule Book (as current from time to time), which (bank) receives the Credit Transfer Instruction from the Originator Bank and credits the account of the Beneficiary, according to the information provided in the Credit Transfer instruction and in accordance with the provisions of the Scheme as set out in the SEPA Credit Transfer Scheme Rule Book. For the purposes of these Terms and Conditions the Beneficiary Bank is Bank of Cyprus.

**Acceptance Date:** The Acceptance Date is the date of fulfillment by the Originator of all conditions required by the Originator Bank as to the execution of a SEPA Credit Transfer including but not limited to (a) the satisfaction of all regulatory and legal obligations, (b) to cut off times and (c) to the availability of adequate financial cover in the specified payment Account and (d) to the availability of the information required to execute the instruction.

**Cut-off time:** The time by which an Originator must supply the Originator Bank with all necessary information and evidence required by the Originator Bank and must fulfill all requirements set by the Originator Bank in order for the Credit Transfer Instruction to be deemed to have been accepted by the Originator Bank on that day ("The Acceptance Date").

**II. For all credit transfers under the Scheme, the Originator shall:** provide the Originator Bank with all necessary information for the Credit Transfer Instruction, as described in the Rulebook (e.g. the amount in euro, the Originator's and Beneficiary IBAN, etc.).

**III. Thereafter the Originator Bank shall:**

1. Provide the Bank of Cyprus with all information specified in the Rulebook (e.g. the Beneficiary's name and IBAN, amount in euro etc).
2. Transmit to the Bank of Cyprus any remittance data provided by the Originator.
3. Identify the transfer to the Bank of Cyprus as a transfer made under the terms of the Scheme.
4. Treat any transfer instruction not fulfilling the requirements of the Rulebook outside the Scheme or decline to process the instruction.
5. Ensure the authenticity and validity of the Originator's instructions.
6. Validate each transfer instruction (includes checking the IBAN of the Beneficiary and the bank identification code (BIC) of the Bank of Cyprus) and accept or reject it accordingly.
7. Following acceptance of the instruction debit the account of the Originator and route the transfer to the Bank of Cyprus in order to credit the account of the Beneficiary identified in the credit transfer.
8. The Originator Bank or any Intermediary Bank or Clearing and Settlement Mechanism may reject a Credit Transfer Instruction, for any of the reasons stated in the Rulebook, including, without prejudice to the generality of the above, that the Operation/Transaction code is incorrect, that the file format is invalid, that the Bank Identifier or the Account Identifier are incorrect (i.e. invalid BIC or invalid IBAN) that the file was received after Cut Off Time, or for any regulatory reason.
9. In the event of a dispute, provide the Beneficiary with an explanation as to how a Credit Transfer Instruction has been processed.

**IV. The obligations of the Bank of Cyprus as Beneficiary Bank:**

10. Once a Credit Transfer Instruction has been received by the Bank of Cyprus and where all legal requirements (including, without prejudice to the generality of the above, verifications in view of risks of money laundering and terrorist financing) have, in the opinion of the Bank of Cyprus, been fulfilled, the account of the Beneficiary will be credited within 1 Banking Business Day. Where in the opinion of the Bank of Cyprus legal constraints exist, all steps necessary for compliance with the Law shall be taken thus barring or delaying execution. Execution of a payment instruction may also be delayed if the Bank of Cyprus becomes aware of a discrepancy between the IBAN and name of the Beneficiary provided by the Originator or for similar valid reason.  
  
Banking Business Days are days that are not bank holidays in either the country of the Originator Bank and/or in Cyprus.
11. Subject to 10 above and 12 below, the Bank of Cyprus shall credit the account of the Beneficiary with the full amount stated in the Credit Transfer Instruction. Thereafter, the account of the Beneficiary will be charged in accordance with the Table of Commissions and Charges of the Bank of Cyprus.
12. Subject to any overriding legal or regulatory requirements or restrictions, the Bank of Cyprus shall keep available and provide (if requested) all received remittance data in full and without alteration to the Beneficiary.
13. The Bank of Cyprus may return a Credit Transfer Instruction prior to execution for any of the reasons stated in the Rulebook, including without prejudice to the generality of the above that the Beneficiary account identifier is invalid (i.e. invalid IBAN or account number non-existent), that the Beneficiary account is closed, that the credit transfer is forbidden to the type of the Beneficiary account, that the Beneficiary account address is invalid, that the Beneficiary account is blocked for any reason or for any other regulatory reason (e.g. inaccurate Beneficiary address).
14. All transactions must be in euro in all process stages. In the event that the account of the Beneficiary is in a currency other than euro, the Bank of Cyprus shall convert the amount of the transfer into the currency of the Beneficiary's account in accordance with the exchange rate applicable on the credit day and charge the Beneficiary's account in accordance with the conversion charges listed in the Table of Commissions and Charges of the Bank of Cyprus.
15. The Bank of Cyprus, its agents, employees and employees of its agents, shall not be liable for any failure, hindrance or delay in performance in whole or in part of its obligations under the present Terms and Conditions, the Instruction for Credit Transfer or the Credit Transfer Scheme Rulebook if such failure, hindrance or delay arises out of circumstances beyond the control of the Bank of Cyprus. Such circumstances may include, but are not limited to, act of God, criminal action, fire, flood, and unavailability of energy supplies and irrespective of whether these circumstances relate to the Bank of Cyprus or to any party involved in any way in the processing of the transfer.
16. The Bank of Cyprus, its agents, employees and employees of its agents, shall not be liable for any indirect or consequential Losses arising, inter alia, as a result of the late execution or non-execution, for any reason whatsoever of any credit transfer or of the breach or non-compliance with any Terms and Conditions contained herein or in the Credit Transfer Scheme Rulebook. Any Loss which exceeds the sum specified in a Credit Transfer Instruction (i.e. the amount of the transfer), shall be deemed to be an indirect Loss. A Loss which results from action taken to limit or manage risk shall also be deemed to be an indirect Loss.
17. The present Terms and Conditions shall bind the Bank of Cyprus, its successors and assigns and the Beneficiary, his successors and assigns.