



SEPAGA E.M.I. LIMITED
Headquarters:
29, Stasikratous Str, 3rd
Floor 1065, Nicosia, Cyprus

T: +357 22 283100
F: +357 22 283109
E: sepaga@sepaga.com
www.sepaga.com

**ACCOUNT HOLDING SERVICES AGREEMENT BETWEEN SEPAGA E.M.I.
LIMITED ('SEPAGA')
And
The Holder(s) of Payment Accounts
for the Provision of Payment Services (the "Client")**

This Agreement governs the provision of payment services by SEPAGA to its Clients, including, amongst other things the execution of payment transactions from and to payment accounts of, SEPAGA's Clients, irrespectively of whether the instructions for the execution of the payment transactions are given or transmitted to SEPAGA or through the Beneficiary of any remittance, transfer, or payment.

1 Definitions and Interpretation

1.1 In this Agreement, unless the context otherwise requires:

"Agreement" means this agreement including all schedules, annexes, and amendments made in accordance with its terms.

"Beneficiary" means a natural or legal person who maintains a Payment Account and is the intended recipient, in the said Payment Account, of the funds which are the object of a Payment Transaction.

"BIC" means Business Identifier Code and refers to the standard format of Bank Identifier Codes approved by the International Organization for Standardization (ISO) under ISO 9362 issued by SWIFT in its role of ISO 9362 Registration Authority.

"Business Day" means every day (except Saturdays and Sundays) on which banks are open for normal banking operations both in Cyprus and in any country with which any specific Payment Transaction may be associated.

"Cash Withdrawal" means any circumstances involving the withdrawal of cash by a Client from their account.

"CBC" means the Central Bank of Cyprus or any other successor body that is designated as the national competent authority of Cyprus for the supervision of Payment Services Providers pursuant to the Law.

"Charges" means all charges/fee/expenses SEPAGA can impose to the Client as per the pricelist agreed and/or any other services rendered with relevant pricing.

"Client" means a natural or legal person (including executors, administrators of assets and heirs or successors and assignees, receivers and liquidators, custodians, and trustees of such persons) who maintains a Payment Account with SEPAGA and uses SEPAGA as the Payment Service Provider for Payment Transactions, whether as the Payer or the Beneficiary. Where the term includes more than one person it shall be construed to mean all, or any of them, and their obligation shall be joint and several.

"Conversion Rate" means the selling rate or accordingly, buying rate of SEPAGA in relation to any currency pair, on the date of execution of a Payment Order by SEPAGA and for the calculation of which the Exchange Rate of Reference on the date of execution of the Payment Transaction is used as a basis.

"Cut-off Time" The time at which the institution stops crediting same-day deposits. Cut off times are determined according to the corresponding bank with whom SEPAGA is in commercial agreement.

"Direct Debit" The Client permits someone else a Beneficiary to instruct the SEPAGA to transfer money from the Client's payment account to that Beneficiary. SEPAGA then transfers money to the



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Beneficiary on a date or dates agreed by the Client and the Beneficiary. The amount may vary.

“Exchange Rate of Reference” is the exchange rate which serves as a basis for calculating the exchange rate for a specific currency conversion and which is obtained from any relevant source SEPAGA may deem proper and is made available to the Clients by SEPAGA.

“IBAN” means International Bank Account Number and refers to the international standard for identifying bank accounts across national borders composed of up to 34 alphanumeric characters that include a country code, two check digits, and a long and detailed account number.

“Law” means The Provision and Use of Payment Services and Access to Payment Systems Law of 2018, L.31(I)/2018 as may be amended from time to time and also includes any directives, rules or guidelines issued by the CBC pursuant to the said law.

“Mass Payment File” means a file in .csv format in standard form available <https://masspayments.sepaga.net/MassPayments.aspx>.

“Mass Payment Order” means any instruction by the Payer to SEPAGA, submitted through the Mass Payment Portal, requesting the simultaneous execution of multiple Payment Orders.

“Mass Payment Portal” means SEPAGA’s online platform for initiating and managing Mass Payment Orders, which can be accessed here <https://masspayments.sepaga.net/MassPayments.aspx>.

“Mass Payment Service” means the online service offered by SEPAGA that enables a Payer to initiate and manage Mass Payment Orders, through the Mass Payment Portal.

“Member State” means a member state of the European Union or another State which is a contracting party to the Agreement for the European Economic Area.

“Online Portal” means SEPAGA’s portal used by the client to view numerous information and execute actions including and not limited to the following: initiate payments, view account information, view transactional activity, view account balances, etc.

“OTP” means a uniquely generated numeric or alphanumeric string of characters that is provided to the Payment Services User. The OTP is valid for a limited period of time as specified by the Payment Services Provider and becomes invalid upon the earlier of the completion of the Payment Transaction for which it was issued, or the expiry of a predetermined time period from its generation. The OTP is part of a two-factor authentication process used to ensure the security and integrity of transactions by verifying the identity of the Payment Services User initiating the transaction.

“Payer” means a natural or legal person who holds a Payment Account and allows a Payment Order from that Payment Account, or, where there is no Payment Account, a natural or legal person who gives a Payment Order.

“Payment Account” means an account kept with SEPAGA or any other Payment Services Provider in the name of one or more Payment Services User, and which is used for the execution of Payment Transactions.

“Payment Instrument” means any personalized device and/or set of procedures agreed between the Client and SEPAGA, and which is used by the Client to initiate a Payment Order and may include, inter alia, any assigned cards, the online portal, the Mass Payment Portal, each one of the User ID, security password (OTP), and which are issued by SEPAGA in respect of the online portal and the Mass Payment Portal and/or message.

“Payment Order” means any instruction by a Payer or Beneficiary to SEPAGA requesting the execution of a Payment Transaction.

“Payment Service Provider” has the meaning attributed to this term by the Payment Services Law and includes, any persons who have obtained a payment services provider license from the national competent authorities of Cyprus, or any other Member State.



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“Payment Transaction” means an act initiated by a Payer or Beneficiary, or any person authorized by them, of placing, transferring, or withdrawing funds, irrespectively of any underlying obligations between the Payer and the Beneficiary and , which is governed by this Agreement or any other agreement entered into between SEPAGA and the Client, or any SEPAGA terms and conditions which may be in place for any other services offered by SEPAGA to Clients.

“Payment services” means any services that may be offered by SEPAGA, as a payment services provider, to a Client, pursuant to this Agreement and which are set out in Annex I of the Law.

“Payment Services User” means a natural or legal person making use of Payment Services in the capacity of Payer, Beneficiary, or both.

“Pricelist” means the list of fees and/or charges and/or commissions and/or expenses which are in force at the time of execution of any Payment Transaction, and/or any other transaction with SEPAGA, and which is available at the offices of SEPAGA in printed form and provided to the Client prior to the execution of this Agreement for review and approval.

“SEPA” means the Single European Payment Area which is the area where citizens, companies and other economic actors can execute and receive payments in Euro, whether between or within national boundaries under the same basic conditions, rights and obligations, regardless of their location. For the geographical scope, see the European Payment Council’s list of SEPA countries at www.europeanpaymentscouncil.eu.

“SEPAGA Daily Operations Cut-off Time” means 13:00 Cyprus time (GMT +2) on any day which is a Business Day and, for any day which is not a Business Day, 13:00 Cyprus time (GMT+2) on the next Business Day.

“SIC code” means standard industrial classification code which is a four digit code that categorizes the industry of a company based on the business activity.

“SWIFT” means the communications network operated by the Society for Worldwide Interbank Financial Telecommunications, a global member-owned cooperative provider of secure financial messaging services which provides its members with a secure network for the exchange of standardized financial messages between financial institutions.

“Unique Identifier” means a combination of letters, numbers, or symbols, specified for the use of Payment Services by the Payment Service Provider and which the Payment Service User must transmit for the unambiguous identification of the other Payment Service User and/or of the Payment Account of the other Payment Service User and/or of the Payment Account of the other Payment Service User for a Payment Transaction.

- 12 The headings in this Agreement are used solely for ease of reference and shall not limit or affect in any way any terms of this Agreement or their interpretation, nor shall they be deemed to have been incorporated into this Agreement .
- 13 Words denoting the singular number include the plural and vice versa; words denoting any gender include all genders; and terms denoting persons include both natural and legal persons.
- 14 Any reference to a statutory provision includes a reference to the same as modified or re-enacted from time to time.

2 Execution of Payment Orders

- 21 Subject to clause 2.5 below, SEPAGA shall not execute any payment Order unless the Client gives his authorization for the relevant Payment Transaction by filling in the relevant instructions form through either the online portal or Mass Payment Portal provided by SEPAGA and using his credentials such username, password and OTP for final approval and confirmation of the transaction.



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- 2.2 *In order to execute an **outgoing** Payment Transaction (where SEPAGA acts as the Payment Service Provider for the Payer), the Client must supply SEPAGA with [at least some] or [all] the following information:*
- (1) The relevant payment Account number or IBAN of the Beneficiary;*
 - (2) Name and address of the Beneficiary;*
 - (3) SIC code or name and address of the Payment Service Provider of the Beneficiary;*
 - (4) The amount of the outgoing Payment Transaction payment and the currency in which it must be sent;*
 - (5) Any other information the Payer wishes to transmit to the Beneficiary, and any other information which may be requested by the Beneficiary's Payment Service Provider, information requested or required by the CBC from time to time or any information which may be required from time to time under any other applicable law.*
- 2.3 *SEPAGA shall under no circumstances be held liable for the defective execution, or non-execution, of a Payment Transaction due to the provision of any incorrect information by the Client.*
- 2.4 *The Beneficiary's account number, or IBAN (if any), is necessary for the correct execution of an **incoming** Payment Transaction (where SEPAGA acts as the service provider for the Beneficiary) and constitutes the Unique Identifier pursuant to the Law. Any incoming Payment Transactions received for the benefit of a Beneficiary's account number or IBAN shall be deemed to have been correctly executed by SEPAGA. SEPAGA shall not be held liable for any funds not received by a Client where the Payer has provided either SEPAGA or any other Payment Services Provider an incorrect account number or IBAN.*
- 2.5 *In addition to the provisions of the previous paragraphs, Payment Transactions from a Payment Account may also be executed through the use of a debit card, provided that the provision of a debit card to the Client has been agreed under any other agreement entered into between SEPAGA and the Client. the information which must necessarily be provided by the client so that the card transaction may be authorized by the cardholder and be executed, is the information mentioned below as the case may be*
- (1) In case the cardholder is requested to enter the PIN code in an electronic payment system at the point of sale where the card has been placed, from the PIN code.*
 - (2) In case the cardholder is requested to sign a purchase slip on which the card information appears, upon the signing of the purchase slip.*
 - (3) In the case of purchase of goods and/or services through other channels (e.g. through the internet or by phone or post) upon entering the following card information requested:*
 - (a) Card number, Date of expiry of the card, Full name of the cardholder, The identification number of the card which consists of the last three digits appearing on the back of the card Address of the cardholder with instructions through any payment instrument which SEPAGA may, from time to time, make available to the clients in accordance with the terms of the agreements which govern or shall govern the granting and/or use of the said payment instrument.*
- 2.6 *The authorization for the execution of a payment transaction may, at the sole discretion of SEPAGA, follow the execution of the payment transaction.*
- 2.7 *The authorization for the execution of a Payment Transaction or a series of Payment Transactions is given in the modes mentioned in clauses 2.1 to 2.5 above. In the absence of the Client's authorization, the Payment Transaction is deemed to have been executed against his will.*
- 2.8 *SEPAGA shall execute any Payment Transactions in the currency agreed with the Client.*
- 2.9 *SEPAGA has the right to charge commission and/or fees and/or expenses for the execution of a Payment Transaction on behalf of a Client in accordance with the Pricelist that may be in force at the time of the execution of the said Payment Transaction. As regards incoming payment transaction*



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(i.e. where the Client is the Beneficiary, SEPAGA shall deduct its commissions and/or fees and/or expenses before making the transferred amount available to the client, provided the full amount of the Payment Transaction and the charges shall appear separately in the information provided to the Client for the relevant Payment Transaction.

- 2.10 SEPAGA has the right, without prejudice to the generality of any of the above paragraphs, to refuse the execution of a outgoing Payment Transaction, or refuse to accept an incoming Payment Transaction, for any of the reasons set out below:
- (1) *Compliance with the Law and/or any other applicable legislation, or any other regulation, directive or guideline, whether issued by the CBC or the national competent authority of any other Member State;*
 - (2) *Absence of sufficient available balance in the Payer's Payment Account;*
 - (3) *Identification of errors and/or omissions in the Payer's Payment Order (or other instructions);*
 - (4) *The blocking of the Payment Instrument or where the Payer Service User has exceeded its limit of use;*
 - (5) *Prevention of fraud.*
- 2.11 SEPAGA shall be under no obligation to provide any information in respect of the non-execution of any Payment Transaction to the Client. It is understood that the payment order which SEPAGA refuses to execute is considered not to have been received.
- 2.12 The Company shall provide a Verification of Payee ("VoP") service for SEPA Credit Transfers initiated by the Customer (the payer). This service allows the payer to verify whether the name of the payee corresponds to the name associated with the payee's payment account.
- 2.13 The VoP service does not apply to Euro Credit Transfers executed via SWIFT.
- 2.14 The VoP service shall be made available by the Company prior to the execution of a SEPA Credit Transfer. Following the creation of a payment order, the Company shall perform a check to determine if the payee's name matches the IBAN provided. The outcome of the verification may result in one of the following statuses:
- **Exact Match:** *The payee's name matches the account details. The payment will be processed on the payer's behalf without further action.*
 - **Close Match:** *The name is similar but not identical. We will notify the payer about the discrepancy and request their confirmation if they wish to proceed or update the account details.*
 - **No Match:** *The name does not correspond to the IBAN. We will notify the payer about the discrepancy and request confirmation if they wish to proceed with the payment at their discretion.*
 - **Verification Not Possible:** *The verification could not be performed. We will notify the payer to request confirmation if they wish to proceed with the payment at their own discretion.*
- Regardless of the outcome, the VoP service will not block or automatically reject a payment order. The VoP service is designed to provide additional security and transparency. If the payer decides to proceed with a SEPA Credit Transfer despite a warning or mismatch, they acknowledge and accept that responsibility for the decision remains solely with the payer.*
- 2.15 *The Customer understands and accepts that proceeding with a SEPA Credit Transfer despite a "Close Match," "No Match," or "Verification Not Possible" result may result in funds being transferred to a payment account not held by the intended payee. The Company may not be able to recover such funds once the SEPA Credit Transfer has been executed. The Company shall not be liable for any losses or damages incurred as a result of the Customer's decision to proceed under these circumstances.*



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3 Time of receipt of the order

- 3.1 *The time of receipt of the Payment Order shall be deemed to be the time at which SEPAGA receives the Payment Order transmitted directly by the Payer, or indirectly by the Beneficiary or through the Beneficiary, unless the time of receipt of the order is not on a Business Day in respect of the specific service/type of payments/transfers/remittances, in which case the time of receipt of the order shall be deemed to be the following Business Day.*
- 3.2 *In the case of an agreement for the execution of a Payment Transaction on a specific day, or at the end of a specific period, or on the day on which the Payer shall have made funds available to SEPAGA, the agreed time is deemed to be the time of receipt of the Payment Order for the purposes of implementing paragraph 3.1. If a day other than a Business Day has been agreed, the Payment Order shall be deemed to have been received on the following Business Day.*

4 Deadline for the Execution of a Payment Order

- 4.1 *In respect of **outgoing** Payment Transactions where SEPAGA acts as the Payment Service Provider for the Payer and where the Beneficiary's Payment Account is kept with a Payment Service Provider within a Member State, then:*
- (1) *Where the payment transaction is in EURO, the Beneficiary's Payment Account shall be credited within the same Business Day as the date of receipt of the Payment Order by SEPAGA, provided SEPAGA receives the Payment Order from the Payer before the SEPAGA Daily Operations Cut-off Time;*
 - (2) *In case the Payment Transaction is made in a Member State currency other than EURO, the Beneficiary's Payment Account shall be credited within 2 Business Days from the date of receipt of the Payment Order, provided that the Payment Order shall be received before the SEPAGA Daily Operations Cut-off Time; and*



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(3) *It is understood that in case the Payment Transaction is made in any currency other than EURO or another Member State Currency, the time frames set out in (1) and (2) above shall not apply.*

4.2 *In respect of incoming Payment Transactions where SEPAGA acts as the Payment Service Provider for the Beneficiary:*

(1) *The Beneficiary's Payment Account shall be credited with the amount of the remittance on Business Day following the Business Day in which SEPAGA's account is credited where the currency of the incoming Payment Transaction is either in EURO or the currency of another Member State; and*

(2) *The above time frames shall not apply where the remittance is made in any currency other than EURO or a currency of a Member State and where the Unique Identifier given to SEPAGA is incorrect.*

5 Revocation of Orders

5.1 *A Payment Order given by the Payer becomes irrevocable upon its receipt by SEPAGA.*

5.2 *A Payment Order initiated by the Beneficiary or through him, becomes irrevocable for the Payer as soon as the Payer transmits to the Beneficiary the Payment Order or the authorization for the Payment Transaction save in the case where the Payer's authorization concerns transactions scheduled for a later date.*

5.3 *Subject to the provisions of subparagraph 5.5 below the Payer's authorization for the execution of a series of Payment Transactions may be revoked at any moment in respect of Payment Transactions scheduled for a later date.*

5.4 *Subject to the provisions of subparagraph 5.5 below, it is understood that in case it is agreed between SEPAGA and the Payer that the execution of a Payment Transaction shall be made on a specific date, or at the end of a specific period, or on the day on which the Payer shall have made funds available to SEPAGA, the Payer, may revoke the Payment Order, at the latest, by the end of the Business Day preceding the agreed date.*

5.5 *Where permissible by the terms set out in clause 5 of this Agreement the revocation of a Client's authorization, shall be made in writing. The revocation is deemed to be received by SEPAGA at the time it is actually received by SEPAGA, provided that the time of receipt precedes the SEPAGA Daily Operations Cut-off Time. If received after the SEPAGA Daily Operations Cut-Off Time then the revocation of the authorization shall be considered to have been received on the following Business Day. Where authorization for a Payment Transaction was given through the online portal ;or the Mass Payment Portal, the revocation may also be made through this service, provided that the Payment Transaction has not already been executed.*

5.6 *After the time frames set above and elsewhere in clause 5, the Payment Order may only be revoked pursuant to an agreement between SEPAGA and the Payer, provided that, if clauses 5.2 applies, then the Beneficiary's consent shall also be required.*

5.7 *SEPAGA has the right to impose any charge as may be specified in SEPAGA's Pricelist for the revocation of any authorization for a Payment Transaction.*



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6 **Transmission of Information and Notifications:**

- 6.1 *Unless where otherwise provided for in this Agreement, the transmission notifications from SEPAGA to the Client, pursuant to the Law, shall be made by SEPAGA through any the following methods:*
- (1) *By means of notifications or announcements through the online portal or the Mass Payment Portal, where the Client is a registered user thereof;*
 - (2) *By text messaging services (SMS);*
 - (3) *By telephone; or*
 - (4) *By email.*
- 6.2 *The transmission of information and the giving of notifications by the Client to SEPAGA shall be made in writing via email unless where otherwise provided for by this Agreement or by any agreement that may be entered into by SEPAGA and the Client.*
- 6.3 *The information which SEPAGA can provide or make available to the Client, may be:*
- (1) *In writing through the dispatch of a printed monthly statement of account by post;*
 - (2) *Electronically through the online portal in case where the Client is a registered user thereof;*
 - (3) *Electronically through the Mass Payment Portal, where the Client is a registered user thereof;*
 - (4) *In person at SEPAGA's office; and*
 - (5) *Electronically through any email address provided by the Client to SEPAGA.; and*
- 6.4 *SEPAGA shall have the right to charge fees for providing such information to the client as set out in the Pricelist. It is agreed that SEPAGA shall not be obligated to prove that it has complied with the information requirements imposed by the Law.*

7 **Amendments to this Contract**

- 7.1 *SEPAGA shall have the right to amend these terms at any time, by giving two months' notice of such amendment to the Client prior to the date on which any said amendment is intended to enter into force. The relevant notice, may be provided in any manner as SEPAGA may decide, in accordance with clause 6.3 above, and shall constitute effective notice to every Client.*
- 7.2 *Every amendment proposed by SEPAGA shall be considered to have been accepted by the Client if he fails to notify his non-acceptance prior to the proposed date for the entry into force of such amendment. In the case of non-acceptance, the Client is entitled to terminate this agreement, without any charge, prior to the proposed date of entry into force of any amendments. In the notice setting out any proposed amendments, SEPAGA shall remind the client of his right to terminate this agreement without any charge.*

8 **Charges and Exchange Rates**

- 8.1 *In case the execution of a Payment Transaction requires the conversion of one currency into another, unless expressly agreed otherwise in writing between SEPAGA and the Client, this conversion shall be made using the Conversion Rate for the specified currency pair. Exchange rate information is available to Clients at SEPAGA's offices and by request at sepagasupport@sepaga.com.*
- 8.2 *It is further understood that SEPAGA may unilaterally and without notice apply changes to its Conversion Rates and to its Exchange Rates of Reference.*
- 8.3 *The Client agrees that charges will be applied to the client's Payment Account held with SEPAGA, on a monthly basis, pursuant to the pricelist agreed with the Client.*
- 8.4 *In the event that the Payment Account held by the Client with SEPAGA does not contain sufficient funds to cover the Charges due from the Client to SEPAGA as stipulated under the pricelist and/or*



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any other service rendered with relevant Charges then, the Payment Account will still be charged and the following provisions shall apply:

- 1) SEPAGA shall notify the Client in writing on the 1st Business Day of the month of the discovery that the Payment Account has insufficient funds to cover due Charges;
- 2) The Client shall have two (2) weeks from the receipt of such notification to rectify the insufficient funds position by depositing sufficient funds into the Payment Account to cover the due Charges;
- 3) If the Client does not deposit sufficient funds into the Payment Account within the aforementioned period, a second notification will be sent to the Client informing them that the outstanding fees, plus an additional amount over and above of the outstanding fees, will be settled with any available balance from any Payment Account that the client might hold with SEPAGA. If the Client does not hold any other account with an available balance, then SEPAGA holds the right to terminate the Account Holding Agreement.
- 4) SEPAGA reserves the right to suspend the provision of services to the Client until such time as any outstanding charge, including accrued interest, are paid in full.
- 5) If the Charges remain unpaid for fifteen (15) Business Days, then SEPAGA may terminate the Account Holding Agreement in accordance with clause 15.

9 Payment Instrument

- 9.1 In cases where the Client shall request and, upon approval by SEPAGA, receive and/or be allowed to use a Payment Instrument, the relevant agreement to be drawn between SEPAGA and the client shall also include (where applicable) in detail, the required measures which the client must take for the safe keeping of the Payment Instrument as well as the modes of notifying SEPAGA in case of loss, theft, interception or exposure to abuse of the Payment Instrument or its unauthorized use.
- 9.2 SEPAGA maintains the right to suspend the use of a Payment Instrument for objectively justified reasons pertaining to:
 - (1) the security of the Payment Instrument
 - (2) the suspicion of unauthorized or fraudulent use of the Payment Instrument
- 9.3 SEPAGA is obligated to inform the client on the suspension of the use of the Payment Instrument and the reasons for such suspension by email or, where the client is a subscriber to the online portal or the Mass Payment Portal, through the said Service, if possible before the use of the Payment Instrument is suspended and immediately afterwards at the latest. SEPAGA shall not be held liable if such information would conflict with objective reasons of security or if it is prohibited by a provision of the Law.
- 9.4 SEPAGA shall lift the suspension of the use of the Payment Instrument or replace it with a new Payment Instrument as soon as the reasons for such suspension cease to exist and provided this is not prohibited by another provision of the Law.
- 9.5 In the case of use of a Payment Instrument by a client in view of providing SEPAGA with instructions and/or authorization for the execution of a Payment Transaction, including, without limitation to the above, the use of the online portal with codes and/or master key or TAN number, or the use of a debit card with codes or generally the use of any codes or passwords, or the use of the Mass Payment Portal with password and/or codes SEPAGA may specify the maximum limits per day and/or Payment Transaction as agreed in any other agreement to be signed with the client for every provided service.

10 Rectification of Payment Transactions

- 10.1 The client may request rectification of a defective or unauthorized Payment Transaction if, as soon as becoming aware of any such a Payment Transaction which gives rise to a right of rectification under the Law, or this Agreement, he notifies SEPAGA within 13 months at the latest, from the date



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of execution of the relevant Payment Transaction. The deadline of 13 months shall not apply if SEPAGA has complied with its obligations pursuant to the Law, or pursuant to this Agreement by not providing or making available to the Client any information relating to the relevant Payment Transaction.

10.2 *SEPAGA's obligation to rectify a Payment Transaction pursuant to paragraph 10.1 above arises only if the information which is necessary for the correct execution of the Payment Order, and which is set out in paragraph 2.2 above, was given to SEPAGA correctly and was accurate in all respects. It is further understood that:*

- (1) *In the event of defective execution of a Payment Transaction where SEPAGA acts as the Payment Service Provider for the Payer, SEPAGA shall rectify the defect by crediting the Payer's Payment Account with the amount, or any part thereof, which was not received by the Beneficiary,*
- (2) *In the event of a a defective execution of a Payment Transaction where SEPAGA acts as the Payment Services Provider for the Beneficiary, SEPAGA shall rectify the defect by crediting the Beneficiary's Payment Account with the amount, or any part thereof, which was received by SEPAGA but not credited to the Beneficiary's account.*

10.3 *Subject to clauses 10.4 to 10.8 below, in the event that a Payment Transaction has been executed without a Payer's authorization SEPAGA shall rectify the defective Payment Transaction by refunding to the Payer the relevant amount by crediting his debited Payment Account and shall restore the debited Payment Account to the state it would have been in had the Payment Transaction not been executed made by crediting, for example, any expenses which may have been debited to the debited payment account for the execution of the Payment Transaction provided that:*

- (1) *The Client notifies SEPAGA within the timeframes referred to in clause 10.1 above; and*
- (2) *The Client provides SEPAGA with all necessary information that is sufficient to indicate that the Payment Transaction was indeed executed without the requisite authorization*

10.4 *Notwithstanding clause 10.3 above and subject to the below clauses, SEPAGA may charge a Client an amount not exceeding 150 EURO for any damage resulting from Payment Transactions that have been executed without the Client's authorization provided that:*

- (1) *The damage results from the use of a lost or stolen Payment Instrument or from the Client's failure to keep the Payment Instrument or the personalized security features/codes of the Payment Instrument secure;*
- (2) *SEPAGA has provided the Client with appropriate means providing, at any moment, notice of any loss, theft, interception or exposure to abuse of the Payment Instrument in question, and the damage results from the use of the Payment Instrument before the Client has notified SEPAGA of the unauthorized Payment Transaction.*

10.5 *Notwithstanding clause 10.3 above, it is understood that SEPAGA may charge the Client the entire damage that may arise from Payment Transactions executed without his authorization if all of the following requirements are met:*

- (1) *Damage arises due to the Client intentionally or negligently violating one or more of his obligations as follows:*
 - (a) *Failing to use the Payment Instrument according to the terms governing its issuance and use;*
 - (b) *Taking every reasonable measure for the safekeeping of the Payment Instrument and its personalized security features from the moment it comes into his possession; and*



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Headquarters:
29, Stasikratous Str, 3rd
Floor 1065, Nicosia, Cyprus

T: +357 22 283100
F: +357 22 283109
E: sepaga@sepaga.com
www.sepaga.com

- (c) *Failing to notify SEPAGA immediately upon the realization that there has been any loss, theft, interception, or exposure to abuse, or unauthorized use of the Payment Instrument and/or its personalized security features.*
- (2) *SEPAGA has provided the appropriate means allowing the Client to provide immediate notice of the loss, theft, interception, or exposure to abuse or unauthorized use of the Payment Instrument to SEPAGA; and*
- (3) *The damage results from the unauthorized use of the Payment Instrument before the Client has notified SEPAGA accordingly.*
- 10.6 *Notwithstanding clause 10.3 above, it is further understood that SEPAGA will charge the Client s the entire damage resulting from the execution of any Payment Transactions that were carried out by him in a fraudulent manner.*
- 10.7 *The use of the Payment Instrument for the execution of any Payment Transactions shall constitute prima facie evidence that the Payment Transaction were executed the Client's authorization.*
- 10.8 *Notwithstanding clauses 10.1 to 10.3 above, it is further understood that SEPAGA shall not be required to rectify any Payment Transactions executed by means of an electronic message (within the meaning of Section 2 of the Electronic Money Law of 2011 (L.81(I)/2012) where SEPAGA is not able to block either the Payment Instrument used, or any Payment Account connected to the Payment Instrument in question.*

11 *Responsibility for a Payment Order Initiated by the Payer*

- 11.1 *Subject to Clause 11.3 below, where the Client acts as the Payer, places a Payment Order with SEPAGA, and the Beneficiary's Payment Services Provider does not receive the Payment Order amount, or part thereof, within the timeframe provided for by clause 4 above, then SEPAGA shall return to the Payer within a reasonable time period the relevant Payment Order amount, or any part thereof which has not been executed, or has been executed defectively. Further, SEPAGA, shall restore the Client's debited Payment Account to the state in which it would have been had the debit not been made, by refunding, for example, any expenses incurred by the Payment Account in relation to the execution of the Payment Transaction.*
- 11.2 *Subject to Clause 11.3 below, where the Client acts as the Beneficiary, and SEPAGA has received any amount that should properly be credited to the Client's Payment Account, and the Payment Transactions has not been correctly executed by SEPAGA, then SEPAGA shall immediately make the amount of the Payment Transaction available to the Client by crediting the Client's Payment Account with the relevant amount.*
- 11.3 *SEPAGA's obligations as set out in clauses 11.1 and 11.2 above will only apply where:*
- (1) *SEPAGA has been given the correct Unique Identifier as defined in paragraph 4 above;*
- (2) *The Payment Transaction is made in EURO or in any Member State currency;*
- (3) *The Payment Service Provider from, or to whom, payment is made is located in Cyprus or another Member State; and*
- (4) *The Client has notified SEPAGA in respect of the non-execution, or defective execution of the relevant Payment Transaction within fourteen (14) business days in accordance with clause 11.1.*
- 11.4 *Irrespective of SEPAGA's obligations as set out in clauses 11.1 and 11.2 above, upon request, SEPAGA shall immediately attempt to trace the any Payment Transaction which has not been executed, or which has been executed defectively. Where any non-execution or defective execution is not attributable to SEPAGA, it shall*
- (1) *notify the Client accordingly;*



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- (2) *make every reasonable effort to recover any funds involved in such a Payment Transaction; and*
- (3) *Charge the Client with expenses (where applicable) based on SEPAGA's Pricelist.*

12 Responsibility for a Payment Order Initiated by the Beneficiary

- 12.1 *Subject to clause 12.4 below, where SEPAGA acts for a Client who is a Beneficiary who initiates a Payment Order, and where a Payment Order has not been transmitted correctly by SEPAGA to the Payer's Payment Service Provider, SEPAGA will re-transmit any such Payment Order. This clause will also apply to the re-transmission of any Payment Order.*
- 12.2 *Subject to clause 12.4 below, SEPAGA shall ensure that any Payment Order initiated by the Beneficiary, or through the Beneficiary, is transmitted to the Payer's Payment Service Provider within any deadline agreed between the Beneficiary and SEPAGA. More specifically, in the case of direct debits, SEPAGA shall ensure that settlement is achieved on the date which has been agreed between SEPAGA and the Beneficiary.*
- 12.3 *Subject to clause 12.4 below, and provided the Client is, and acts as, a Payer who has given SEPAGA an order for the direct debit of any of his Payment Accounts, then, if following the correct transmission of a Payment Order in accordance with clause 12.2 above (by the Beneficiary's Payment Service Provider), the Beneficiary did not receive the amount of the Payment Transaction, SEPAGA shall immediately refund to the Client the amount of the non-executed or defectively executed Payment Order and restore the debited payment account to the state in which it would have been had the defective payment transaction not been made.*
- 12.4 *SEPAGA's obligations as set out in clauses 12.1 to 12.3 above apply only where all of the following conditions have been met:*
 - (1) *SEPAGA has been provided with any applicable and correct Unique Identifier or any other applicable and correct information, as set out in clause 2.2 above;*
 - (2) *The Payment Transaction is made in EURO or in any other Member State currency;*
 - (3) *The other Payment Service Provider from, or to whom, payment is made is located within Cyprus or another Member State;*
 - (4) *The Client has notified SEPAGA the non-execution or defective execution of the Payment Transaction within the time frames defined above.*
- 12.5 *Irrespective of any of its obligations under clause 12, SEPAGA, when so requested, shall immediately attempt to trace any Payment Order which has not been executed or has been executed defectively and shall notify the Beneficiary accordingly.*

13 Mass Payments

- 13.1 *To initiate a Mass Payment Order, the Client must submit through the Mass Payment Portal, a Mass Payment File containing the following information:*
 - (1) *In relation to SEPA Mass Payments:*
 - (a) *Currency that the Payment Transaction(s) will be executed in;*
 - (b) *Beneficiary IBAN; and*
 - (c) *Beneficiary Name.*
 - (2) *In relation to SWIFT Mass Payments:*
 - (a) *Currency that the Payment Transaction(s) will be executed in;*
 - (b) *Beneficiary Account/IBAN;*
 - (c) *Beneficiary BIC;*
 - (d) *Beneficiary Name;*
 - (e) *Beneficiary Address;*
 - (f) *Beneficiary Country;*



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(g) Charges To

- 13.2 *The Client remains responsible for the accuracy and completeness of all information submitted by them through the Mass Payment Portal. The Mass Payment Order is deemed to be executed correctly when SEPAGA processes it in accordance with any information supplied by the Client.*
- 13.3 *SEPAGA shall have no obligation to check any discrepancies between the IBAN(s) provided by the Client and any other details that may identify the Beneficiaries, such as their name or address.*
- 13.4 *SEPAGA reserves the right to modify, alter or adjust the Mass Payment Portal, as deemed necessary, with or without prior notice, for any of the following reasons:*
- (1) To comply with applicable laws and regulations;*
 - (2) To address business needs, including but not limited to:*
 - (a) Implementing new features or functionalities;*
 - (b) Correcting errors or bugs; and*
 - (c) Enhancing security measures.*
- 13.5 *SEPAGA assumes no liability for any damages, charges, expenses, or costs incurred by the Client, due to:*
- (1) The interruption or unavailability of the Mass Payment Portal arising from, but not limited to:*
 - (a) Scheduled or unscheduled maintenance activities;*
 - (b) Power outages, internet outages, or other telecommunications disruptions; and*
 - (c) Force Majeure events as set out in clause 16.*
 - (2) Any delays or failures in executing Mass Payment Orders caused by, but not limited to:*
 - (a) Technical errors or time-outs affecting SEPAGA's Mass Payment Portal;*
 - (b) Non-completion of the uploading process by the Client, and/or of the authorization of the any Payment Transactions, and/or of the mandatory fields by the Client which are required to validate any Mass Payment Order;*
 - (c) Incorrect value dates being imported into any relevant file by the Client;*
 - (d) Incorrect payment data (e.g. payment amounts, IBAN, beneficiary names etc) being imported into any relevant file by the Client;*
 - (e) Uploading any relevant file after the cut-off times, resulting in delayed or missed value dates.*
 - (3) Any errors or inconsistencies in the data provided by the Client through the Mass Payments Portal, including, but not limited to:*
 - (a) Duplicate payments.*
 - (b) Incorrect beneficiary information.*
 - (c) Incorrect value dates.*
 - (d) File submission after cut-off times.*

14 Refund of Payment Transaction Funds

- 14.1 *In the event that a Payment Transaction is executed in EURO or another Member State currency, and provided the Payment Service Provider of the Beneficiary to whom payment is made is also located in Cyprus or another Member State, SEPAGA is obligated to return to the Payer the entire amount of the payment transaction which has been made under authorization of the Payer, if all of the following requirements are met:*



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- (1) *The Payment Transaction was initiated by a Beneficiary, or through a Beneficiary, and has already been executed;*
- (2) *The Payer submits a relevant request within eight weeks from the date of the debit;*
- (3) *At the time of the authorization given by the Payer to the Beneficiary the exact amount of the Payment Transaction was not defined; and*
- (4) *The amount of the Payment Transaction exceeds the amount which the Payer would reasonably be expected to pay, considering his usual expenses, the terms of this Agreement and/or any terms which might govern the specific Payment Transaction and the general circumstances of the specific Payment Transaction.*

14.2 *It is understood that the Payer may not invoke reasons associated with currency conversion, to request a Payment Transaction refund where the Conversion Rate he had agreed with SEPAGA has been applied.*

14.3 *It is further understood that the Client is not entitled to a refund if any/all of the following conditions are met:*

- (1) *the Client, as Payer, has authorized SEPAGA through the online portal or the Mass Payment Portal by using his unique credentials such as username, password, and OTP, to execute a Payment Transaction in the future; and*
- (2) *Information regarding the future Payment Transaction was given or made available to the Payer by SEPAGA or by the Beneficiary, in the agreed manner, at least four weeks prior to the date of the debit.*

14.4 *Upon SEPAGA's request, the Client is obliged to provide relevant information in respect of any Payment Transaction the refund of which has been requested by the Client. Provided that any requested information has been provided by the Client, then within ten (10) Business Days from the receipt of a request for a refund, SEPAGA, shall either:#*

- (1) *Refund the amount of the Payment Transaction requested; or*
- (2) *Justify its refusal to provide a refund and inform the Payer the authority about the process for filing a complaint with the CBC reaching out-of-court settlement of the dispute.*

15 Termination:

15.1 *SEPAGA may terminate this Agreement for any reason by giving the Client one (1) month's notice in writing in any manner prescribed by clause 6.*

15.2 *If the Client wishes to terminate this agreement or any other Agreement that falls within the scope of the Law, then he must send to SEPAGA written notice of termination giving at least one (1) month's notice. It is understood that the Client must fully settle all outstanding balances owed to SEPAGA including any fees, expenses, account closing fees, and any other applicable charges up to, and including the applicable day of termination of the Agreement .*

15.3 *For the avoidance of any doubt, where any recurring or periodic charges or fees apply, the Client is only required to settle any charges or fees that would be incurred prior to the termination date.*

15.4 *Any of the Client's rights of withdrawal pursuant to any applicable law are not affected by any of the above provisions.*



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16 Force Majeure

16.1 SEPAGA shall not be liable and will bear no responsibility for any loss or damage for any delay, error, omission or failure to provide Payment Services to the Client which may arise from a cause beyond its control, including, but not limited to, the following:

- (1) The failure of any third-party service, such as Internet, wired or wireless telephony services and/or similar;
- (2) Any act or order by a Government or Governmental Organization, Government Service or Organized group/s exercising Government powers either *de jure* or *de facto* materially affecting SEPAGA's ability to perform its obligations under this Agreement; and
- (3) Natural disasters, (e.g. earthquakes, hurricanes, floods), wars, riots, acts of terrorism, epidemics, pandemics, explosions, strikes or other labor disputes (other than those involving SEPAGA's workforce), acts of God and strikes.

17 Duration and Language of the Agreement

17.1 This Agreement is of indefinite duration and shall remain in force up to the date of its termination pursuant to clause 15 above. This Agreement is in the English language and any notifications may be made in English or Greek. The client has the right, at any time throughout the duration of this Agreement, to request and obtain the terms of this Agreement as well as the information and terms which SEPAGA is required to provide under the Law on paper or another durable medium.

18 Applicable Law

18.1 The rights and obligations of the parties to this Agreement shall be governed by, and construed under, the laws of the Republic of Cyprus. The competent Courts for the hearing of cases shall be the Courts of the Republic of Cyprus.

19 Supervisory Authority and Out-of-Court Settlement of Disputes

19.1 The client has the right to lodge a complaint against SEPAGA to the CBC which may organize a procedure for the out-of-court settlement of any disputes that may arise in accordance with the provisions of the Law.

20 Communication with SEPAGA

20.1 The Headquarters of SEPAGA are located at 29 Stasikratous Str, Samico House, 3rd Floor, P.C. 1065, Nicosia, Cyprus. Clients may contact SEPAGA through the client service line tel. +357 22 283100 or at SEPAGA's email address: sepaga@sepaga.com.

21 Change of Information of a Payment Account Holder

21.1 In the event that any of the information provided by the Client to SEPAGA has changed, then the Client is required to notify SEPAGA in writing within 3 days from the date of the change.

21.2 In case the Client has given any Payment Orders for payment from, or into his Payment Account, in the event of a change in the Client's Payment Account number the Payment Order shall continue to be valid and shall be executed using the new number for the Payment Account.



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22 Declaration by Client

22.1 *The Client declares that he fully understands his right to review these terms, the Pricelist, as well as any terms contained in any other Agreement signed with SEPAGA and that he has carefully read and fully understood all the provisions of this Agreement, the Pricelist and any terms contained in any other agreement that he has, or will enter into, with SEPAGA and that he freely, knowingly and voluntarily endorses and accepts the terms of this Agreement.*

Signatures:

.....
CLIENT	Date	SEPAGA E.M.I. LIMITED

Director's name:

.....

Company stamp: