



Terms of inclusion in the Reward Program for Performing Housing Loan Borrowers

Alpha Bank Cyprus Ltd (hereinafter referred to as the "**Bank**") puts into effect the Reward Program for Performing Housing Loan Borrowers (hereinafter the "**Program**"), with which it rewards the punctuality and consistency of its customers in fulfilling the repayment obligations they have undertaken. Taking into account the high interest rate conditions prevailing in the international markets over the past period, the Bank rewards its performing borrowers who fall under the Program, according to the terms and conditions specified below:

1. Program Duration and Scope – Definitions

1.1. Program Duration: The Program is effective from August 1, 2023 (hereinafter the "**Commencement Date**") and lasts for a period of twelve (12) months (hereinafter the "**Program Duration**").

1.2. Eligible Loans: The Program applies to housing loans granted in any currency and charged during the Program Duration with the following fluctuating base interest rates:

- Euribor for all tenors
 - CME Term SOFR (USD) or LIBOR USD for all tenors
 - ICE Term SONIA (GBP) for all tenors
 - SARON Compound (CHF) for all tenors
 - TORF (JPY) for all tenors
 - European Central Bank Base Interest Rate (ECBBR)
 - Bank's Housing Loan Base Interest Rate (HLBR)
 - Bank's Base Interest Rate (BBR)
- (hereinafter the "Housing Loans").

1.3. Program Beneficiaries: The Program applies exclusively to individual borrowers who are natural persons, provided always that (i) their Housing Loans (one or more) meet the following conditions:

- disbursed (in whole or in part) by 31.7.2023 and
- as at 31.7.2023, there are no overdue payments for principal, interest, or expenses and (ii) on the Commencement Date the borrower does not have any non-performing facilities or any facilities in arrears for more than 30 days

1.4. Excluded Loans: The Program does not apply to loans with an interest rate other than the base rates mentioned in 1.2 (e.g., loans with fixed or variable interest rates, as the term "variable" is described below). Specifically, the following are excluded from the Program:

- Housing loans with a fixed interest rate
- Housing loans secured by cash collateral, charged with variable interest rate, that is with the prevailing credit interest rate of the pledged deposit account plus margin
- Bank staff loans governed by the relevant agreement with the Union of Cyprus Bank Employees

Additionally, the Program does not apply to housing loans charged with any of the fluctuating interest rates mentioned in 1.2 when bearing a negative sign either as a result of the current value of the aforementioned fluctuating interest rate or due to the reduction by twenty (20) basis points – 0,20% as provided in point 2.2(i) below.

2. Purpose of the Program

- 2.1.** The purpose of the Program is to fix the interest rates of Housing Loans on a specific reference date (31.3.2023) and simultaneously reduce them by the percentage specified in section 2.2(i) below as a reward for performing borrowers during the Program Duration.
- 2.2.** Within the framework of the Program, the following will apply to Housing Loans:
- i. From the Commencement Date, the Housing Loans that fall within the scope of the Program will be subject to a cap on the fluctuating interest rate that has been agreed upon in the respective Housing Loan agreement as it may have been amended from time to time. The value of the aforementioned base interest rate shall not exceed the corresponding value of the said interest rate as at 31.03.2023, reduced by twenty (20) basis points (i.e. 0.20%).
 - ii. The aforementioned maximum limit on the fluctuating base interest rate will remain fixed throughout the Program Duration. The Bank will absorb any additional increases in the aforementioned base interest rates during the Program Duration.
- 2.3.** The interest rate margin provided for in the respective Housing Loan agreement (as it may have been amended from time to time) (the "Margin"), shall be added to the aforementioned fluctuating base interest rate.
- 2.4.** If, during the Program Duration the aforementioned fluctuating base interest rates for Housing Loans, as announced and publicly accessible, are set or reduced to values lower than those mentioned above, the loan interest will automatically be recalculated using the reduced interest rate. Therefore, borrowers will fully benefit from any reduction in the fluctuating base interest rates.

3. Inclusion in the Program

- 3.1.** Housing Loan borrowers shall automatically benefit of the favourable terms of the Program without any action required on their part. A necessary condition for the automatic inclusion of borrowers in the Program is the fulfilment on the Commencement Date of the Program of all terms and conditions set out in this document, as well as the adherence to all terms of the relevant loan agreement. Borrowers will be informed about the reduced interest rate of their Housing Loan and the amount of the repayment installment (as the same may be varied) through a letter sent to their mailing address immediately after the Program's commencement. Each borrower has the option to opt-out of the Program.
- 3.2.** In any case of overdue payments on the Housing Loan during the Program Duration exceeding 30 days, the Bank will immediately and permanently terminate the application of the Program for the Housing Loan, with no possibility of re-inclusion of the respective borrower in the Program.

4. Personal Data

In relation to the processing of the borrowers' personal data by the Bank and their rights, the provisions of the "Privacy Notice for Protection of Personal Data" provided to the Borrower and posted on the Bank's website ([AB5371E.pdf \(alphabank.com.cy\)](#)), apply.

5. Other Terms

- 5.1** Inclusion in the Program signifies the unconditional acceptance of all terms herein.
- 5.2** The Bank reserves the right to unilaterally amend the terms of the Program, if deemed necessary, and assumes no liability regarding any such amendment. In any case, any such amendment will not have retrospective effect. In the event of an amendment, borrowers will be informed through a letter sent to their mailing address and through the Bank's website.

- 5.3** The favourable terms of the Program apply solely and exclusively during the Program Duration. The Bank is not obliged to provide a similar Program or similar contractual terms to any borrower in the future.
- 5.4** The Program will be governed by and interpreted in accordance with the laws of the Republic of Cyprus, and the Courts of Cyprus are designated as competent for the interpretation and resolution of any disputes that may arise.