

# Consumer Market

June 2021

## **Cyta's policy on the payment of guarantees by non-permanent residents of Cyprus**

1. The guarantees are required from customers who are not permanent residents of Cyprus (regardless of nationality) their main purpose being the recovery of debts related to services provided on credit, due to the increased financial risk for Cyta. It is noted that, this is the policy applied by Telecommunication Organisations of member states of the European Union, for exactly the same reasons.

2. The permanent residence of citizens in Cyprus may be verified through a permit granted by the Civil Registry and Migration Department of the Ministry of Interior. In particular, according to the legislation on migration governing the residence status of European citizens in Cyprus, permanent residents of Cyprus are considered to be all European Citizens holding a Permanent Residence Permit MEU3.

For foreigners, Non-EU nationals, permanent residence is verified if they are in possession of an Immigration Permit or a Residence Permit of the Category E or F, issued by the Migration Department in accordance with the provisions of Regulation 5.

In addition to the above, customers who hold a title deed for immovable property or an officially certified contract for the purchase of immovable property or who have been cooperating with Cyta for at least three years and who have been consistent with the settlement of their accounts, are also exempted from the payment of guarantees. It is noted that, in case the customer has already paid a guarantee, he/she is entitled to immediate return of the total amount as soon as any of the above conditions are met. The guarantees are returned immediately upon termination of the service for which it has been paid, provided that the customer has settled his/her dues for the services provided.

3. For customers (Natural Persons) who are required to pay a guarantee, there are three alternative options: payment of a cash advance or producing a bank guarantee or imposition (upon the written consent of the customer) of a credit limit (as the maximum amount of arrears that the customer is entitled to accumulate for this service). Where there is a request for the purchase of a device to be charged to the customer's account by way of installments, then the guarantee options permitted are either a cash deposit or a bank guarantee (and not the credit limit).

## **Cyta's policy on the payment of guarantees for customers who consistently fail to settle their bills**

Guarantees are also required from customers whose services have been terminated because of unpaid bills. When the accounts are fully settled, customers may be provided with a service by paying the relevant guarantee.

For customers (formerly defaulting customers) who are required to pay a guarantee, there are three alternative options: payment of a cash advance or producing a bank guarantee or imposition (upon the written consent of the customer) of a credit limit (as the maximum amount of arrears that the customer is entitled to accumulate for this service). Where there is a request for the purchase of a device to be charged to the customer's account by way of installments, then the guarantee options permitted are either a cash deposit or bank guarantee (and not the credit limit).