

**Unofficial translation of the Issuance of Share Capital of Bank of Cyprus as Compensation of Cyprus Popular Bank Decree of 2013.**

**NB: This English translation is NOT an official translation. This translation is for informational purposes only and has been prepared solely for the convenience of non-Greek speaking interested parties. The official and legally binding decree is in the Greek language and can be found in the Official Gazette of the Republic of Cyprus no 4703, dated 30.7.2013. Any discrepancies or differences created in the translation are not binding and the Central Bank of Cyprus makes no warranties or representations about the accuracy or completeness of this English translation and assumes no liability for any errors, omissions or inaccuracies in this English translation.**

The Resolution of Credit and Other Institutions Law of 2013  
Decree by virtue of articles 5(1), 5(7) and 9

<p>17(I) of 2013 38 (I) of 2013.</p> <p>R.A.A. 104/2013 E.U. Par. III(I), No. 4645, 29.3.2013, p. 781.</p> <p>R.A.A. 133/2013 E.U. Par. III(I), No. 4661, 21.4.2013, p. 930.</p> <p>R.A.A. 156/2013 E.U. Par. III(I), No. 4661, 14.5.2013, p. 1091.</p> <p>R.A.A.276/2013 E.U. Par. III(I), No. 4701, 30.7.2013, p.1756</p> <p>R.A.A. 103/2013 E.U. Par. III(I), No. 4645, 29.3.2013, p. 769.</p>	<p>Whereas the Resolution Authority, in the exercise of the powers vested in it under Section 5(1) and (12)(a), 7(1) and 9 of the Resolution of Credit and Other Institutions Law of 2013, and following the joint decision with the Minister of Finance for the adoption of resolution measures by virtue of Section 3 of the Law, and considered the opinion of the Minister of Finance, the report of the competent supervisory authority regarding the current financial condition of the credit institution subject to resolution and the resolution plan prepared by the Resolution Authority and having established that all the conditions in Section 6(1) of the Law are fulfilled and that compelling reasons in the public interest exist, had issued the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd Decree of 2013, the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd (Amended) Decree of 2013, the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd (Amended) (No.2) Decree of 2013 and the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd (Amended) (No.3) Decree of 2013, in the light of best achieving the purposes of Section 3 of the Law,</p> <p>Whereas in accordance with paragraph 9(5) of the Law, the Resolution Authority shall determine the consideration for the sale, taking into account the procedure for the valuation of the title deeds, assets, rights or obligations to be transferred pursuant to the provisions of Section 22 of the Law and</p> <p>Whereas in accordance with paragraph 6(2) of the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd Decree of 2013, the Resolution Authority may, by further decree, require the Bank of Cyprus Public Company Ltd («Bank of Cyprus») to issue to Cyprus Popular Bank Public Co Ltd («Cyprus Popular Bank») such a number of Class A shares, as they are defined under the Bailing-in of Bank of Cyprus Public Company Ltd Decree of 2013, as fair compensation,</p>
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<p>R.A.A. 132/2013 E.U. Par. III(I), No. 4661, 21.4.2013, p. 925.</p> <p>R.A.A. 275/2013 E.U. Par. III(I), No. 4701, 30.7.2013, p. 1751.</p>	<p>without a right to any further compensation and</p> <p>Whereas the valuation report has been completed and submitted to the Resolution Authority pursuant to Part V of the Resolution of Credit and Other Institutions Law of 2013 and paragraph 6(1) of the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd Decree of 2013 and</p> <p>Whereas the final value of the assets, title deeds and rights of Cyprus Popular Bank transferred to the Bank of Cyprus exceeds the liabilities of Cyprus Popular Bank transferred to the Bank of Cyprus,</p> <p>Whereas the Resolution Authority has considered the opinion of the Minister of Finance,</p> <p>The Resolution Authority, exercising the powers vested in it by the Resolution of Credit and other Institutions Law of 2013, issues the following Decree:</p>
<p>Short Title.</p>	<p>1. This Decree shall be referred to as the Issuance of Share Capital of Bank of Cyprus as Compensation of Cyprus Popular Bank Decree of 2013.</p>
<p>Interpretation.</p>	<p>2. In the present Decree the term «Class A Shares» has the same meaning attributed thereto by the Bailing-in of Bank of Cyprus Public Company Ltd Decree of 2013, as amended by the Bailing-in of Bank of Cyprus Public Company Ltd (Amended) Decree of 2013 and the Bailing-in of Bank of Cyprus Public Company Ltd (Amended) (No.2) Decree of 2013.</p>
<p>Issuance of Shares to Cyprus Popular Bank.</p>	<p>3. By virtue of the present Decree Bank of Cyprus issues and grants to Cyprus Popular Bank such an amount of Class A Shares with nominal value of one (1) euro each, so that Cyprus Popular Bank will at 30 July 2013, 17:15, hold 18,056371% of the total share capital of Bank of Cyprus pursuant to paragraph 6(2) of the Sale of Certain Operations of Cyprus Popular Bank Public Co Ltd Decrees of 2013, as fair compensation of Cyprus Popular Bank without a right to further compensation.</p>
<p>Entry into force.</p>	<p>4. (1) The current decree shall enter into force on the date of its publication in the Official Gazette of the Republic and shall be effective at 17:05 on 30 July 2013.</p>

Panicos Demetriades  
Central Bank of Cyprus  
as Resolution Authority