

ANNOUNCEMENT

The Administrative Committee of the Investor Compensation Fund of Clients of CIFs, hereinafter “the Fund” announces that at its meeting on March 7, 2014 and after taking into consideration a relevant legal opinion on the matter, has decided upon the distribution of the loss the Fund has suffered from the relevant decisions of the relevant Bail in Decrees issued by the Resolution Authority in March 2013, regarding the deposits the Fund had maintained at the time with Bank of Cyprus and Laiki Popular Bank. The loss is to be allocated in proportion to all Members, as such term is defined in the Articles of the Fund, as well as to non-Members who at the time had withdrawn their membership and lost their membership status, hereinafter “the withdrawn membership Members”. The definition withdrawn membership Members relates to Members who had lost their membership status at the Fund but, until the date of issue of the Bail-in Decrees of March 2013, the due date for payment of the value of their proportion in the Fund, pursuant to the regulation 9(2) as per the Establishment and Operation of an Investor Compensation Fund of Clients of CIFs Regulations of 2004, “the Regulations”, had not elapsed.

Consequently and in accordance with Regulation 9 of the Regulations, any obligations of the Fund which are payable after the date of imposing the decisions of the Bail-in, including obligations to Members who had lost their membership status prior to the issuance of the Bail in Decrees will be paid after deducting the relevant loss attributed to these entities, resulting from the above mentioned decisions.

The loss the Fund has suffered as a consequence of the Bail in Decrees for deposits in both banks is estimated to be close to 7%. The statements regarding the balance of each Member as at December 31, 2013, which will also include the number of Bank of Cyprus shares that have been allocated to the Fund as a result of the Bail-in of Bank of Cyprus deposits and attributed to each member, will be sent at a later stage.

Nicosia, March 27, 2014