

THE PUBLIC DEBT MANAGEMENT LAW

Regulations by virtue of article 29(2)

... (I) of 2012. The Council of Ministers, exercising the powers vested in it by article 29(2) of the Public Debt Management Law, issues the following Regulations:

Short Title. 1. These Regulations shall be cited as the Public Debt Management (Collective Action Clauses) Regulations of 2012.

PART I - INTERPRETATION

Interpretation. 2.-(1) In these Regulations, unless a different meaning is implied from the context-

“Outstanding” in relation to any Bond means a Bond that is outstanding for the purposes of Regulation 10, and in relation to the bonds of any other series means a bond that is outstanding for the purposes of Regulation 11;

“reserved matter” in relation to the bonds means any amendment of the terms and conditions of the Bonds or any agreement governing the issuance or administration of the Bonds, that would -

- (i) change the date of payment of any amount on the Bonds;
- (ii) reduce any amount, including any overdue amount, payable on the Bonds;
- (iii) change the method used to calculate any amount payable on the Bonds;
- (iv) reduce the redemption price of the Bonds or change any date of redemption of the Bonds in case the Bonds are redeemable;
- (v) change the currency or the way of payment of any amount payable on the Bonds;

- (vi) impose any term on or otherwise modify the Issuer's obligation to make payments on the Bonds;
- (vii) except as permitted by any related guarantee, release any guarantee issued in relation to the Bonds or change the terms of such guarantee, in case the Bonds are guaranteed by the Issuer;
- (viii) except as permitted by any related security agreement, release any collateral that is pledged or charged as security for the payment of the Bonds or change the terms on which that collateral is pledged or charged, in case the Bonds are pledged by the Issuer;
- (ix) change any circumstances under which the Bonds may be declared due and payable prior to their stated maturity, in case the Bonds are subject to an accelerated procedure;
- (x) change the seniority or ranking of the Bonds;
- (xi) change the law governing the Bonds in case the Bonds were subject to a foreign law;
- (xii) change any court to whose jurisdiction the Issuer has been submitted or any immunity waived by the Issuer in relation to legal proceedings arising out of or in connection with these Bonds, in case the Issuer has been submitted to the jurisdiction of any foreign court or has expressly waived his immunity;
- (xiii) change the principal amount of outstanding Bonds or in the case of a cross-series modification, the principal amount of debt securities of any other series required to approve a proposed modification in relation to the said Bonds, the principal amount of outstanding Bonds required for the formation of a quorum, or the rules determining whether a Bond is outstanding for these purposes; or
- (xiv) change the definition of reserved matter and has the same meaning in relation to the debt securities of any

other series, save that any of the foregoing references to the Bonds or to any agreement governing the issuance or administration of such Bonds shall be interpreted as references to such other debt securities or to any agreement governing the issuance or administration of such other debt securities;

“Issuer” shall mean the government of the Republic of Cyprus;

“Affected Bonds” are the Bonds which are the object of the proposed modification;

“record date” in relation to any proposed modification, means the date fixed by the Issuer for determining the Bondholders and in the case of a cross-series modification, the holders of debt securities of any other series, who, in any case, are entitled to vote on a resolution in relation to the proposed modification;

“holder” in relation to a Bond means the person in whose name the Bond is registered on the books and records of the Issuer in relation to registered Bonds, or the bearer of the Bond in relation to bearer Bonds, or the person the Issuer is entitled to consider as the holder of the Bond, if under the existing legislation the person who has the right to vote is not the holder of the Bond or the person in whose name the Bond is registered on the books and records of the Issuer, and in relation to any other debt security means the person the Issuer is entitled to consider as the holder of that debt security under the law governing the said debt security;

...(l) of 2012.

“Law” means the Public Debt Management Law, as amended or replaced from time to time;

“series” means a tranche of debt securities, together with any tranche

or tranches of debt securities that in relation to each other and to the original tranche of debt securities are -

- (i) identical in all aspects, except for their date of issuance or the date of first payment; and
- (ii) referred to as consolidated and form a single series, and include the Bonds and any subsequent issuances of Bonds;

“index-linked obligation” means a debt security that provides for the payment of additional amounts linked to changes in a published index, but does not include a part of an index-linked obligation, which is no longer attached to that index-linked obligation;

“modification” in relation to any Bonds means any modification, amendment, supplement or waiver of the terms and conditions of the said Bonds or of any agreement governing the issuance or administration of these Bonds, and has the same meaning in relation to the debt securities of any other series, save that any of the foregoing references to the Bonds or to any agreement governing the issuance or administration of the Bonds shall be read as references to other debt securities or to another agreement governing the issuance or administration of such other debt securities;

“cross-series modification” means a modification involving -

- (i) Bonds or any agreement governing the issuance or administration of the Bonds; and
- (ii) debt securities of one or more series or any agreement governing the issuance or administration of such debt securities;

“zero-coupon obligation” means any debt security that does not expressly provide for the accrual of interest, and includes the previous parts of a debt security that did expressly provide for the accrual of

interest if these parts do not themselves expressly provide for the accrual of interest;

“debt securities” means any securities, obligations, debt obligations, bonds, debt instruments, treasury bills or any other instruments issued by the Issuer in one or more series with an originally stated maturity of more than one year and includes any such obligation, irrespective of its originally stated maturity, that formerly constituted a component part of a debt security.

(2) Terms not specifically defined in these Regulations, shall have the meaning assigned to them by the Law.

PART II – SCOPE

Scope. 3. These Regulations shall apply to Bonds with a maturity of more than one year, issued by the Issuer after 31 December 2012.

PART III – MODIFICATION OF BONDS

Reserved matter modification. 4. The terms and conditions of the Bonds or any agreement governing the issuance or administration of the Bonds may be modified in relation to any reserved matter with the consent of the Issuer and-

- (a) the affirmative vote of holders representing not less than 75% of the aggregate principal amount of the outstanding Bonds represented at a duly convened meeting of Bondholders; or
- (b) a written resolution signed by or on behalf of holders representing not less than 66 2/3% of the aggregate principal amount of the Bonds then outstanding.

Cross-series
modification.

5.-(1) In the case of a cross-series modification, the terms and conditions of the Bonds and debt securities of any other series, and of any agreement governing the issuance or administration of the Bonds or debt securities of such other series, may be modified in relation to a reserved matter with the consent of the Issuer and -

- (a)(i) the affirmative vote of the holders representing not less than 75% of the aggregate principal amount of the outstanding debt securities represented at a separate duly convened meeting (taken in the aggregate) that would be affected by the proposed modification; or
- (ii) a written resolution signed by or on behalf of the holders representing not less than 66 2/3% of the aggregate principal amount of the outstanding debt securities of all the series (taken in the aggregate) that would be affected by the proposed modification; and
- (b)(i) the affirmative vote of the holders representing not less than 66 2/3% of the aggregate principal amount of the outstanding debt securities represented at a separate duly convened meeting of the holders of each series of debt securities (taken individually) that would be affected by the proposed modification; or
- (ii) a written resolution signed by or on behalf of the holders representing more than 50% of the aggregate principal amount of the then outstanding debt securities of each series (taken individually) that would be affected by the proposed modification.

(2) A separate meeting shall be convened and held, or a minute of a written resolution shall be prepared and signed, in relation to the proposed modification of the Bonds and the proposed modification of any other affected series of debt securities.

Proposed cross-series modification.

6. A proposed cross-series modification may include one or more proposed alternative modifications of the terms and conditions of any affected series of debt securities or of any agreement governing the issuance or administration of the affected series of debt securities, provided that all such proposed alternative modifications are addressed to and may be accepted by any holder of debt securities of an affected series.

Partial cross-series modification.

7. If a proposed cross-series modification is not approved in relation to a reserved matter in accordance with Regulation 5, but would have been so approved if the proposed modification had involved only the Bonds and one or more, but less than all, of the other series of debt securities affected by the proposed modification, that cross-series modification shall be deemed to have been approved, notwithstanding Regulation 5, in relation to the Bonds and debt securities of any other series whose modification would have been approved in accordance with Regulation 5, if the said modification had involved only the Bonds and debt securities of such other series, provided that -

- (a) prior to the record date for the proposed cross-series modification, the Issuer has notified the holders of the Bonds and other affected debt securities of the terms under which the said proposed modification shall be deemed to have been approved in the manner described above in relation to the Bonds but not all of the other affected series of debt securities; and
- (b) those terms are satisfied in connection with the proposed cross-series modifications.

Non-reserved matter

8. The terms and conditions of the Bonds and of any agreement governing the issuance or administration of the Bonds may be

modification. modified in relation to any matter not being a reserved matter, with the consent of the Issuer and -

- (a) the affirmative vote of the holders representing more than 50% of the aggregate principal amount of the outstanding Bonds represented at a duly convened meeting of Bondholders; or
- (b) a written resolution signed by or on behalf of the holders representing more than 50% of the aggregate principal amount of the outstanding Bonds.

Multiple
Currencies,
Index-Linked
Obligations and
Zero-Coupon
Obligations.

9. In determining whether a proposed modification has been approved by the requested principal amount of Bonds and debt securities of one or more other series-

- (a) if the modification involves debt securities denominated in more than one currency, the principal amount of each affected debt security shall be equal to the amount in euros that would have been obtained on the record date for the proposed modification with the principal amount of that debt security, using the applicable euro foreign exchange reference rate for the record date published by the European Central Bank;
- (b) if the modification involves index-linked obligations, the principal amount of any such index-linked obligation shall be equal to its adjusted nominal amount;
- (c) if the modification involves a zero-coupon obligation that did not previously constitute part of an index-linked obligation, the principal amount of each such zero-coupon

obligation shall be equal to its nominal amount or, if its stated maturity date has not yet occurred, to the present value of the nominal amount;

(d) if the modification involves a zero-coupon obligation that previously constituted part of an index-linked obligation, the principal amount of any such zero-coupon obligation that previously constituted the right to receive-

(i) a non-index-linked payment of principal or interest shall be equal to its nominal amount or, if the stated maturity date has not yet occurred, to the present value of its nominal amount; and

(ii) an index-linked payment of principal or interest shall be equal to its adjusted nominal amount or, if the stated maturity date has not yet occurred, to the present value of the adjusted nominal amount; and

(e) for the purposes of this Regulation -

(i) the adjusted nominal amount of any index-linked obligation and of any part of an index-linked obligation is the amount of the payment that would be due on the stated maturity date of that index-linked obligation or the part thereof, if the stated maturity date was the record date for the proposed modification, based on the value of the related index on the record date published by or on behalf of the Issuer or, if there is no such published value, on the interpolated value of the related index on the record date determined in accordance with the terms and conditions of the index-linked obligation, but in no event shall the adjusted nominal amount

of such index-linked obligation or the part thereof be less than its nominal amount unless the terms and conditions of the index-linked obligation provide that the amount of the payment made on such index-linked obligation or the part thereof may be less than its nominal amount; and

(ii) the present value of a zero-coupon obligation is determined by discounting the nominal amount (or, if applicable, the adjusted nominal amount) of that zero-coupon obligation from its stated maturity date to the record date at the specified discount interest rate using the applicable market day-count convention, where the specified discount interest rate is-

(ia) if the zero-coupon obligation was not previously part of a debt security that expressly provided for the accrual of interest, the yield to maturity of that zero-coupon obligation at issuance or, if more than one tranche of that zero-coupon obligation has been issued, the yield to maturity of that zero-coupon obligation at the arithmetic average of all the issue prices of all the zero-coupon obligations of that series of zero-coupon obligations weighted by their nominal amounts; and

(ib) if the zero-coupon obligation was previously part of a debt security that expressly provided for the accrual of interest:

(aa) the coupon on that debt security if that

debt security can be identified; or

- (bb) if such debt security cannot be identified, the arithmetic average of all the coupons on all of the Issuer's debt securities (weighted by their principal amounts) as stated below, that have the same stated maturity date as the zero-coupon obligation to be discounted, or, if there is no such debt security, the coupon interpolated for these purposes on a linear basis using all of the Issuer's debt securities (weighted by their principal amounts) as stated below and have the two closest maturity dates to the maturity date of the zero-coupon obligation to be discounted, where the debt securities to be used for this purpose are all of the Issuer's index-linked obligations, if the zero-coupon obligation to be discounted was previously part of an index-linked obligation and all of the Issuer's debt securities (index-linked obligations and zero-coupon obligations excepted) if the zero-coupon obligation to be discounted was not previously part of an index-linked obligation, and in either case are denominated in the same currency as the zero-coupon obligation to be discounted.

Outstanding
Bonds.

10. In determining whether holders of the requested principal amount of outstanding Bonds have voted in favour of a proposed modification or whether a quorum is present at any meeting of holders convened to vote on a proposed modification, a Bond shall be deemed not to be outstanding, and may not be used in voting for or against a proposed modification or to be counted in determining whether a quorum is present, if on the record date for the proposed modification-

- (a) the Bond has previously been cancelled or delivered for cancellation or held for reissuance but it has not been reissued;
- (b) the Bond has previously been redeemed, if redeemable, in accordance with the terms governing its redemption or become payable at maturity or otherwise, and the Issuer has previously met its obligations in relation to payments to be made in respect of the Bond in accordance with its terms; or
- (c) the Bond is held by the Issuer, by a department, ministry or agency of the Issuer, or by a company, trust or other legal entity controlled by the Issuer or by a department, ministry or agency of the Issuer and, in the case of a Bond held by any such above-mentioned company, trust or other legal entity, the holder of the Bond does not have autonomy of decision, where -
 - (i) the holder of a Bond for these purposes is the entity legally entitled to vote in relation to the Bond for or against a proposed modification or, otherwise, the entity whose consent or instruction is by contract required, directly or indirectly, for the legally entitled

holder to vote the Bond for or against the proposed modification; and

- (ii) a company, trust or other legal entity is controlled by the Issuer or by a department, ministry or agency of the Issuer if the Issuer or any department, ministry or agency of the Issuer has the power, directly or indirectly, through the ownership of voting securities or other ownership rights, by contract or otherwise, to direct the management of or elect or appoint the majority of the Board of Directors or other persons performing similar duties in lieu of, or in addition to, the Board of Directors of the said legal entity:

Provided that the holder of the Bond has autonomy of decision if, under applicable law, rules or regulations and independently of any direct or indirect obligation the holder may have in relation to the Issuer-

- (ia) the holder may not, directly or indirectly, receive instruction from the Issuer on how to vote on a proposed modification;
- (ib) the holder, in determining how to vote on a proposed modification, is required to act in accordance with an objective prudential standard, in the interest of all of its beneficiaries or in the holder's own interest; or
- (ic) the holder has a fiduciary or similar obligation to vote on a proposed modification in the interest of one or more persons other than a

person whose holdings of Bonds (if that person then held any Bonds) would be deemed not to be outstanding under this Regulation.

Outstanding Debt Securities in a proposed cross-series modification.

11. In determining whether holders of the requisite principal amount of outstanding debt securities of another series have voted in favour of a proposed cross-series modification or whether a quorum is present at any meeting of the holders of such debt securities, convened to vote on a proposed cross-series modification, an affected debt security shall be deemed not to be outstanding, and may not be voted for or against a proposed cross-series modification or be counted in determining whether a quorum is present, in accordance with the applicable terms and conditions of that debt security.

Entities Having Autonomy of Decision.

12. For transparency purposes, the Issuer shall publish promptly following a formal announcement of any proposed modification of the Bonds, but in no event in less than 10 days prior to the record date for the proposed modification, a list containing any company, trust or any other legal entity that, for the purposes of Regulation 10(c), -

- (a) is controlled on the said date by the Issuer or by a department, ministry or agency of the Issuer;
- (b) has in response to an enquiry from the Issuer, informed the Issuer that on the said date is the holder of one or more Bonds; and
- (c) does not have autonomy of decision in respect of the Bonds under its ownership.

Exchange and conversion

13. Any duly approved or validated amendment of the terms and conditions of the Bonds may be implemented by means of a

mandatory exchange or conversion of the Bonds for new Bonds containing the amended terms and conditions, provided that the proposed exchange and conversion is notified to Bondholders prior to the record date for the proposed amendment. Any conversion or exchange undertaken to implement any duly approved or validated amendment shall be binding on all Bondholders.

PART IV – CALCULATION AGENT

Appointment and
competences of
Calculation
Agent.

14.-(1) The Issuer shall appoint a person (the “calculation agent”) to calculate whether a proposed modification has been approved by the requisite principal amount of outstanding Bonds and, in the case of a cross-series modification, by the requisite principal amount of outstanding debt securities of each affected series of debt securities.

(2) In the case of a cross-series modification, the same person referred to in paragraph (1) shall be appointed as the calculation agent for the proposed modification of the Bonds and of any other affected series of debt securities.

Certificate.

15. The Issuer shall provide to the calculation agent and publish, prior to the date of any meeting convened to vote on a proposed modification or the date fixed by the Issuer for the signing of a written resolution in relation to the proposed modification, a certificate-

- (a) indicating the total principal amount of Bonds and, in the case of a cross-series modification, the total principal amount of debt securities of any other affected series outstanding on the record date for the purposes of Regulation 10;
- (b) specifying the total principal amount of Bonds and, in the case of a cross-series modification, the total principal

amount of debt securities of any other affected series that are deemed under Regulation 10(c) not to be outstanding on the record date; and

- (c) identifying the holders of the Bonds and, in the case of a cross-series modification, the holders of debt securities of each one of the affected series, referred to in paragraph (b) above,

determined, if applicable, in accordance with the provisions of Regulation 9.

Right of the calculation agent to rely on the Issuer's certificate.

16.-(1) The calculation agent may, in any case, rely on any information contained in the certificate provided by the Issuer, and that information shall be conclusive and binding on the Issuer and the Bondholders unless -

- (a) an affected Bondholder delivers a substantiated written objection to the Issuer in relation to the certificate before the vote on a proposed modification or the signing of a written resolution in relation to the proposed modification; and
- (b) that written objection, if sustained, would affect the outcome of the vote or the written resolution signed in relation to the proposed modification.

(2) In case the substantiated written objection is delivered in time, any information on which the calculation agent has relied on, shall nonetheless be conclusive and binding on the Issuer and affected Bondholders if-

- (i) the objection is subsequently withdrawn;
- (ii) the Bondholder that delivered the objection does not

commence the required legal proceedings in respect of the objection before a competent court within 15 days from the publication of the results of the vote taken or the written resolution signed in relation to the proposed modification; or

- (iii) the competent court subsequently rules either that the objection is not substantiated or would not in any event have affected the outcome of the vote taken or the written resolution signed in relation to the proposed modification.

Publication.

17. The Issuer shall arrange for the publication of the results of the calculations made by the calculation agent in relation to any proposed modification, promptly following the meeting convened to consider that proposed modification or, as the case may be, the date fixed by the Issuer for signing a resolution in respect of that modification.

PART V – MEETINGS AND RESOLUTIONS

General provisions pertaining to meetings and resolutions.

18. The Regulations and any additional rules adopted and published by the Issuer shall, to the extent consistent with the provisions set out below, apply to any meeting of Bondholders, convened to vote on a proposed modification and to any resolution adopted in connection with a proposed modification. Any action referred to in this Regulation that may be taken by the Issuer, may instead be taken by an agent acting on behalf of the Issuer.

Convening of meetings.

19. A meeting of Bondholders -

- (a) may be convened by the Issuer at any time; and
- (b) shall be convened by the Issuer if an event of default in

relation to the Bonds has occurred and is continuing and a meeting is requested by the holders representing not less than 10% of the aggregate principal amount of the Bonds then outstanding, which on that date contain an event of default.

Notice of
Meetings.

20. The notice convening a meeting of Bondholders shall be published by the Issuer at least 21 days prior to the date of the meeting or, in the case of an adjourned meeting, at least 14 days prior to the date of the adjourned meeting. The notice shall-

- (a) indicate the time, date and venue of the meeting;
- (b) state the agenda and quorum for the text of any resolutions proposed to be adopted at the meeting;
- (c) specify the record date for the meeting, being not more than five (5) business days before the date of the meeting, and the documents required to be produced by the Bondholder in order to be entitled to participate in the meeting;
- (d) include the form of instrument to be used to appoint a proxy who shall act on a Bondholder's behalf;
- (e) state any additional rules adopted by the Issuer for the convening and holding of the meeting and, if applicable, the conditions under which a cross-series modification shall be deemed to have been satisfied if it is approved as to some but not all of the affected series of debt securities; and
- (f) identify the person appointed as the calculation agent in relation to any proposed modification to be voted on at the meeting.

Chair. 21. The Chair of the meeting of Bondholders shall be appointed -

(1) by the Issuer; or

(2) if the Issuer fails to appoint a chair or the person nominated by the Issuer is not present at the meeting, by the holders of more than 50% of the aggregate principal amount of the Bonds then outstanding represented at the meeting.

Quorum. 22.-(1) No business shall be transacted at any meeting in the absence of a quorum other than the appointment of a chair if a chair has not been appointed by the Issuer.

(2) The quorum at any meeting at which Bondholders shall vote on a proposed modification of-

(a) a reserved matter, shall be one or more persons present in person or by proxy and holding at least 66 2/3% of the aggregate principal amount of the Bonds then outstanding; and

(b) a matter other than a reserved matter, shall be one or more persons present in person or by proxy and holding at least 50% of the aggregate principal amount of the Bonds then outstanding.

Adjourned meetings 23. If a quorum is not present within thirty minutes from the time fixed for the meeting, the meeting may be adjourned for a period not exceeding forty-two (42) days and not less than fourteen (14) days as determined by the chair of the meeting. The quorum for any adjourned meeting shall be one or more persons present in person or by proxy and holding -

- (a) at least 66 2/3% of the aggregate principal amount of the Bonds then outstanding, in the case of a reserved-matter modification; and
- (b) at least 25% of the aggregate principal amount of the Bonds then outstanding, in the case of a non-reserved matter modification.

Written resolutions.

24. A resolution signed by or on behalf of holders of the requisite majority of the Bonds then outstanding shall be valid for all purposes as if it was a resolution passed at a meeting of Bondholders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more document in like form, each signed by or on behalf of one or more Bondholders.

Voting right.

25. Any person who is a holder of an outstanding Bond on the record date for a proposed modification, and any person duly appointed as a proxy by a holder of an outstanding Bond on the record date for a proposed modification, shall be entitled to vote on the proposed modification at a meeting of Bondholders and to sign a written resolution with respect to the proposed modification.

Voting.

26. Every proposed modification shall be submitted to the vote of the holders of outstanding Bonds represented at a duly convened meeting or to the vote of the holders of all outstanding Bonds, by the preparation and signing of a resolution without need for a meeting. The holder may cast votes on each proposed modification equal in number to the principal amount of the holder's outstanding Bonds. For these purposes-

- (a) in the case of a cross-series modification involving debt securities denominated in more than one currency, the

principal amount of each debt security shall be determined in accordance with Regulation 9(a);

- (b) in the case of a cross-series modification involving an index-linked obligation, the principal amount of each such index-linked obligation shall be determined in accordance with Regulation 9(b);
- (c) in the case of a cross-series modification involving a zero-coupon obligation that did not previously constitute part of an index-linked obligation, the principal amount of each such zero-coupon obligation shall be determined in accordance with Regulation 9(c); and
- (d) in the case of a cross-series modification involving a zero-coupon obligation that did previously constitute part of an index-linked obligation, the principal amount of each such zero-coupon obligation shall be determined in accordance with Regulation 9(d).

Proxies.

27. Each holder of an outstanding Bond may, by an instrument in writing signed on behalf of the holder and delivered to the Issuer at least 48 hours before the time fixed for the meeting of Bondholders or the signing of a written resolution, appoint any person (a "proxy") to act on the holder's behalf in connection with any meeting of Bondholders at which the holder is entitled to vote, or in connection with the signing of any resolution that the holder is entitled to sign. Appointment of a proxy pursuant to any form other than the form enclosed with the notice of the meeting shall not be valid for these purposes.

Legal Effect and
Revocation of a

28. A proxy duly appointed in accordance with the above provisions shall, subject to Regulation 10 and for so long as that appointment

- Proxy. remains in force, be deemed to be (and the person who appointed that proxy shall be deemed not to be) the holder of the Bonds to which that appointment relates, and each vote cast by a proxy shall be valid notwithstanding the prior revocation or amendment of the appointment of that proxy, unless the Issuer has received notice or has otherwise been informed on the revocation or amendment at least forty-eight (48) hours before the time fixed for the commencement of the meeting at which the proxy intends to cast his vote or, if applicable, to sign a written resolution.
- Binding effect. 29. A resolution duly passed at a meeting of holders duly convened and held in accordance with these provisions, and a resolution duly signed by the requested majority of Bondholders, shall be binding on all Bondholders, whether or not the holder was present at the meeting, in person or by proxy, voted for or against the resolution or signed the written resolution.
- Publication. 30. The Issuer shall without undue delay publish all written resolutions duly adopted.

PART VI – SUPPLEMENTAL PROVISIONS

- Manifest error and technical amendments. 31.-(1) Notwithstanding any provisions to the contrary herein, the terms and conditions of the Bonds and of any agreement governing the issuance or administration of the Bonds, may be amended by the Issuer without the consent of Bondholders-
- (i) to correct a manifest error or clarify an ambiguity; or
 - (ii) if the amendment is of a formal or technical nature or for the benefit of the Bondholders.
- (2) The Issuer shall publish the details of any modification of the Bonds made pursuant to this Regulation, within ten (10) days of the

date of entry into force of the modification.

Acceleration. 32.-(1) If any event of default occurs or is continuing, the holders representing not less than 25% of the aggregate principal amount of the outstanding Bonds may, provided that the said Bonds provide for an acceleration, by written notice given to the Issuer, declare the Bonds to be immediately due.

(2) Upon any declaration of acceleration duly given in accordance with this Regulation, all amounts payable on the Bonds shall become immediately due on the date the written notice of acceleration is received by the Issuer, unless the event of default has been remedied or waived prior to the receipt of the notice by the Issuer.

Rescission of Acceleration. 33. The holders representing more than 50% of the aggregate principal amount of the outstanding Bonds may, on behalf of all Bondholders, rescind or cancel any notice of acceleration given pursuant to Regulation 32 above.

Limitation on Sole Holder Action 34. If the Bonds provide for a trustee or fiscal agent, no Bondholder shall be entitled to institute proceedings against the Issuer or take steps to enforce the rights of the Bondholders under the terms and conditions of the Bonds, unless the trustee or the fiscal agent, having become bound to proceed in accordance with these terms and conditions, has failed to do so within a reasonable time and such failure is continuing.

PART VII - PUBLICATION

Notices and other matters 35. The Issuer shall publish all notices and other matters required to be published pursuant to the above provisions -

(a) on the website of the Public Debt Management Office of

the Ministry of Finance;

- (b) through the Cyprus Stock Exchange for Bonds listed on the Cyprus Stock Exchange and through the Euroclear, Clearstream and London Stock Exchange for Bonds listed on the said systems; and
- (c) in such other means, including the Official Gazette of the Republic and in such other manner as may be required by the legislation in force.

ΕΗ/ΤΚ/ΔΠ/ΕΠ.

I hereby certify that this text is a true translation of the attached document

*I hereby certify that the signature of the translator is that of Emmanouil Tyrakis (Sgd).....
for Director
Press and Information Office
REPUBLIC OF CYPRUS
08/03/2013*