

Between:  
ALPHA BANK CYPRUS LTD, from Nicosia  
AND

Plaintiffs

1. MARTIN JEREMY RHODES (Passport No. GB304290956), from Paphos  
2. RAYMOND MAPLETHORPE (Passport No. GB650204983), from Paphos  
3. G & V HADJIDEMOSTHENOUS LTD (Reg.No. 12561), from Paphos

Defendants

EX-PARTE APPLICATION BY :ALPHA BANK CYPRUS LTD, from Nicosia  
Plaintiffs- Applicants

Following the hearing of the application in the presence of Mrs. Stephanou on behalf of Messrs Chryssafinis & Polyviou LLC, advocates for the plaintiffs - applicants, this Court having read the application and the affidavit accompanying the application hereby ORDERS AND DECIDES that substituted service for the service of the writ of summons to the defendants 1 and 2 is hereby allowed via press, in the Cyprus Weekly and Cyprus Mail newspapers.

AND THIS COURT HEREBY FURTHER ORDERS that the defendants 1 and 2 file an appearance within 30 days from the publication date.  
AND THIS COURT HEREBY FURTHER ORDERS that in case of failure to file an appearance within the above mentioned period, any subsequent application will be considered as served if a copy thereof is posted on the bulletin board of the District Court in Paphos for a period of 5 days.

Issued: 22/10/10

Typed: 05/11/10

F.Charalambous, Senior District Court Judge

True Copy REGISTRAR

FORM No 2.  
SPECIALLY INDORSED WRIT (0.2, r.6).

€500,000.00 - €2,000.000  
V.A.T. Registry No. 10239680C

In the District Court of Paphos, No. 1565/2010.

Between Alpha Bank Cyprus Ltd, and Plaintiffs.

1. MARTIN JEREMY RHODES (PASS. NO. GB 304290956), 8 Peyia Diana, Ayiou Akakiou Peyia 8520, Paphos  
2. RAYMOND MAPLETHORPE (PASS. NO. GB 650204983), 8 Peyia Diana, Ayiou Akakiou Peyia 8520, Paphos  
3. G & V Hadjidemosthenous Ltd (Reg. No. 12561), 67 Evagora Pallikaridi, 8102 Paphos

Defendants.

To C. D. of (a), (b)

This is to command you that within ten days after the service of this writ you enter an appearance in an action against you by Alpha Bank Cyprus Ltd of Nicosia, Stylianou Lena Square, P.O. BOX 21661.

The Plaintiffs claim in the action is set out in the statement of claim overleaf.

The Plaintiffs address for service is *Chryssafinis & Polyviou LLC*, 8 Michalaki Karaoli Street, Anemomylos Building, 4th Floor Nicosia, C/O *Agapios Kokoyiannis Law Office*, Corner of Kinira & Nikolaide, Center Point, Block A, 2nd floor, Paphos.

And take notice that, in default of your entering an appearance in the manner specified below, the Plaintiff may proceed in the action and judgment may be given in your absence.

Filed and sealed on the (e) 11th day of May 2010

(Signed) Chryssafinis & Polyviou LLC

Registrar (f) Advocate(s) for Plaintiffs.

N.B. - (1) An appearance may be entered either personally or by advocate by delivering to the Registrar at (g) Paphos a memorandum of appearance. and on the same day by delivering at the Plaintiffs address for service a duplicate of such memorandum dated, signed and sealed by the Registrar.

(2) If the Defendant fails to deliver a defense within fourteen days after the last day of the, time limited for his appearance, he may have judgment entered against him without notice, unless he has in the meantime been served with a summons for judgment.

(a) Give full address, including street and number of premises, if any.

(b) State Defendant's occupation, if known.

(c) State Plaintiffs occupation.

(d) Give the full name, occupation, and address of a person within the municipal limits of the town or village in which is situated the Registry in which the action is filed, with whom documents intended for Plaintiff may be left.

(e) The date should be filled in by the Registrar.

(f) Strike out the words 'Advocate for' if suing for person and enter the word 'Plaintiff

(g) State the town or village in which is situated the Registry described in (d) above.

N.B. - In drawing up a writ regard should be had to the provisions of Order 2 and the provisions governing statements of claim.

Note for Defendant. - A Defendant summoned for a claim exceeding CYP25 who wishes to employ an advocate should bear in mind that, except with the leave of the Judge, an advocate cannot enter appearance for him unless he has a retainer in writing in Form 12A given him by the Defendant.

#### STATEMENT OF CLAIM

The Plaintiffs' claim is:

(a) CHF671,839.74 plus interest from 26.02.2010 at the rate of 3 months Libor, plus margin at a rate of 3.70% per annum plus default interest at a rate of 5% per annum until full and final settlement with capitalization of interest two times per year on 30th June and 31 st December.

(b) CHF4,092.20 accrued interest from 01.01.2010 until 25.02.2010.

(c) Expenses, plus V.A.T. and service expenses.

#### PARTICULARS:

1. The Plaintiffs are a Banking Organization duly registered according to the Laws of the Republic of Cyprus and conduct all types of banking operations.

2. By virtue of written agreement dated 31.08.2007 and by a subsequent amending agreement dated 24.03.2009 it was agreed that the Plaintiffs would grant to Defendants 1 and 2 a loan (ALPHA FLEXIHOME) for the amount of CHF636,000 under the following terms:

(a) The loan was granted, in order to facilitate the purchase and/or construction and/or alteration and/or addition and/or the improvement of buildings.

(b) The disbursement of the loan granted shall be gradually effected by the Plaintiffs to the Defendants who shall receive sums according to the approval of the supervising architect (or any other person satisfying the Plaintiffs) as necessary for the payment of work executed to this part and/or for the purchase of materials. Provided that the Plaintiffs have the right to deny payment of any amount and that payment of any amount is deemed at the absolute discretion of the Plaintiffs.

(c) The repayment of the loan shall be made on first demand unless the Plaintiffs decide otherwise and shall be made by 168 monthly instalments. The first instalment shall be payable one month after the withdrawal of the total amount of the loan or two years after the date of the first withdrawal of any part of the 10an, whichever occurs first. Each subsequent instalment shall be due and payable one month after the date on which the previous instalment was due and payable until full and final settlement. The amount of the instalments shall be as follows: the first 60 monthly instalments shall be CHF2,339.35, the following 60 monthly instalments shall be CHF3,680.49, the following 47 monthly instalments shall be CHF4,555.78 and the 168th instalment shall be of such an amount that will completely repay the balance including capital, interest, expenses, commissions, rights.

(d) The above amount shall be charged with interest at the rate of 3 months Libor, plus margin at 1.75% per annum. Provided that the Plaintiffs have the right at any time with a written notice to the Defendants to vary either upwards or downwards the interest rate, within the framework of the law.

(e) All the charges including the Libor, the margin, the default rate of interest, c expenses, commissions will be capitalized if not paid every 6 months on 30th June and 31st December of each year and will apply both before and after any demand and/or court judgment until full and final settlement.

3. By virtue of the amending agreement dated 24.03.2009, clause 3 of the initial agreement dated 31.08.2007 was replaced by the one mentioned in the amending agreement dated 24.03.2009 and refers to the repayment of the balance on the loan on 24.03.2009 which is CHF653,580.39 plus interest from 01.01.2009. The repayment mode of the new loan shall be as follows:

(a) The repayment of the loan shall be made on first demand unless the Plaintiffs decide otherwise and shall be made by 281 consecutive monthly instalments. The first instalment shall be due on 23.04.2009 and each subsequent instalment shall be due and payable one month after the date on which the previous instalment was due and payable until full and final settlement. The amount of the instalments shall be as follows: the first 50 monthly instalments shall be CHF2,339.35, the following 60 monthly instalments shall be CHF3,680.49, the following 170 monthly instalments shall be CHF4,555.78 and the 281 st instalment shall be of such an amount that will completely repay the balance including capital, interest, expenses, rights, commissions.

4. The Plaintiffs shall refer to the full terms of the signed agreements during the hearing of the action.

5. As further security of the obligations of Defendants 1 and 2 to the Plaintiffs, Defendants 1 and 2 signed with the Plaintiffs and Defendants 3 a three-party agreement dated 31.08.2007, Defendants 3 signed on 07.09.2007. Detailed reference to the terms of this agreement will be made at the hearing.

6. Furthermore, Defendants 1 and 2 by virtue of a power of attorney dated 31.08.2007 appointed the Plaintiffs as their attorneys for the actions and measures stated and described in these documents. Specifically, the Plaintiffs are entitled to mortgage the property in their favour, sell the property to any person for any amount, appear before any District Land Office of the Republic of Cyprus and sign any documents, statements necessary for the actions and measures stated in the said Powers of Attorney. Full reference to all the terms of these documents will be made at the hearing.

7. The Plaintiffs granted to Defendants 1 and 2, the said loan which in breach of the agreement shows a due balance of CHF671,839.74 plus interest from 26.02.2010 at a rate of 3 months, plus margin at a rate of 3.70% per annum, plus default interest at a rate of 5% per annum plus CHF4,092.20 accrued interest from 01.01.2010 until 26.02.2010 until full and final settlement with capitalization of interest two times per year on 30th June and 31st December.

8. The Plaintiffs repeatedly notified the Defendants and through letters dated 18.12.2008, 19.01.2010, 23.07.2009 and 26.02.2010 and through a letter from the legal representatives of the Plaintiffs dated 10.09.2009, informed the principal debtors of the change in the interest rate, the arrears in the repayment of their loan and terminated the agreement between them and demanded from the principal debtors the repayment of all sums owed but until today they have (neglected and/or omitted to do so. Also the Plaintiffs through a letter dated 01.03.2010 requested Defendants 3 to repay the debit balance of Defendants 1 and 2.

9. The Plaintiffs claim from Defendants 1,2,3:

(a) CHF671,839.74 plus interest from 26.02.2010 at the rate of 3 months Libor, plus margin at a rate of 3.70% per annum plus default interest at a rate of 5% per annum until full and final settlement with capitalization of interest two times per year on 30th June and 31 st December.

(b) CHF4,092.20 accrued interest from 01.01.2010 until 125.02.2010.

(c) A Court Order for the specific performance of the sale agreement by virtue of Chapter 232 when separate title deeds are issued for the property, for the transfer of the property in the names of Defendants 1 and 2 or in the name of the Plaintiffs or in the name of any person indicated by the Plaintiffs.

(d) A Court Decision which recognises the Plaintiffs' right to mortgage the property in their favour when it is transferred in the names of Defendants 1 and 2.

(e) A Court Order which authorizes the Plaintiffs to mortgage the property in their favour when it is transferred in the names of Defendants 1 and 2.

(f) A Court Decision which recognises the Plaintiffs' right to cancel the sale agreement and to withdraw it from the Land Registry.

(g) A Court Order which authorises and/or allows the Plaintiffs to cancel the sale agreement and to withdraw it from the Land Registry.

(h) A Court Decision which recognises the Plaintiffs' right to take possession of the property.

(i) A Court Order for a writ of possession of the property by the Plaintiffs.

(j) A Court Decision which recognises the Plaintiffs' right to sell and/or dispose of the property and/or their rights which arise from the three-party agreement to any person and for any price, by private sale and/or through tenders and/or through public auction, for the repayment and/or towards the payment of the judgment debt and the sale expenses and return of any excess amount from the product of sale to Defendants 1 and 2.

(k) A Court Order which authorises the Plaintiffs to sell and/or allows the Plaintiffs to dispose of the property and/or their rights which arise from the three-party agreement to any person and for any price, by private sale and/or through tenders and/or through public auction, for the repayment and/or towards the payment of the judgment debt and the sale expenses and return of any excess amount from the product of sale of Defendants 1 and 2.

(1) Expenses incurred with respect to the present legal action plus VAT, and service expenses.

N.B.: In the event that the Defendants pay to the Plaintiffs or to their legal representative the amount of the claim plus expenses at €326.00 plus V.A.T. plus €22.00 service expenses within 10 days from the service of this claim all further proceedings shall cease.

Chryssafinis & Polyviou LLP  
Advocates for the

True copy  
Plaintiffs Registrar