

Roadmap for the Gradual Relaxation of the Restrictive Measures

Phase 1 – Stage 1

- Target**
- Reduction of the risks emanating from the large sums of cash currently held by households and businesses.
 - Reduction of the administrative burden.

- Milestones**
- Completion of the recapitalisation and resolution of Bank of Cyprus.
 - Completion of the COOPs recapitalisation and restructuring strategy.

- Relaxation steps**
- Allowing the opening of fixed term deposit account, for non existing customer created with funds from cash.(already implemented)
 - Allowing the opening of current account linked to new credit facilities granted to non existing customer. (already implemented)
 - Abolition of the requirement for the presentation of justifying documents for cashless payments or transfers of funds to accounts held in other credit institutions within the Republic, for an amount over €300.000 per transaction, for the purchase of goods and or services. The credit institution may request justifying documents , if it is deemed necessary.
 - Increasing the limit for transfers abroad from €500.000 to €1.000.000, for every transaction within the normal business activity of the customer and upon presentation of justifying documents to the credit institution.

Roadmap for the Gradual Relaxation of the Restrictive Measures

Phase 1 – Stage 2

Target

- Increased accessibility of funds.
- Re-establishment of the free transferability of funds within the Cypriot banking system.

Milestones

- Disbursement of funds under the macroeconomic adjustment program, for the recapitalisation of the COOPs .
- Submission of the COOPs restructuring plan to the European Commission.
- Recapitalisation of Hellenic Bank.
- Approval of Bank of Cyprus' restructuring plan by the Central Bank of Cyprus.

Relaxation steps

- Abolition of the restrictive measures relating to fixed term deposits.
- Abolition of the current limit related to transfers within the Republic, regardless of the purpose (currently €15.000 per month per natural person and €75.000 per month per legal person).

Roadmap for the Gradual Relaxation of the Restrictive Measures

Phase 1 – Stage 3

Target

- Re-establishment of free movement of capital within the Republic.

Milestones

- Completion of the coops mergers.
- Tangible progress in the implementation of Bank of Cyprus' restructuring plan.

Relaxation steps

- Abolition of the restrictive measures relating to cash withdrawals and the cashing of cheques.
- Abolition of the restrictive measures prohibiting the opening of new accounts.

Roadmap for the Gradual Relaxation of the Restrictive Measures

Phase 2 – Stage 4

Target

- Re-establishment of the cross border free movement of capital.

Milestones

- Progress in implementation the macroeconomic adjustment program.
- Restitution of depositors' confidence in the Cyprus banking system.

Relaxation steps

- Abolition of all restrictive measures relating to the transfer of funds outside the Republic.
- Abolition of the restrictive measures imposed on international banks, included in the catalogue of the relevant Decree for international banks.