

Our ref: CI/AA/HV/464

Your ref:

Date: 26 June 2020

Corporate Recovery & Insolvency Specialists

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**To All Known Creditors**

Dear Sir/Madam

**Mriya Agro Holding Public Ltd (in Liquidation) ("MAH")**  
**Proposed legal action against Bank of Cyprus ("BoC") and Credit Suisse**  
**("CS") (together "the Banks")**

Creditors will recall the extensive investigation we have conducted into payments totaling just over 100m usd by MAH for the acquisition of shares in eight Cypriot registered companies from eight BVI companies (the "Purported Share Purchases").

In the course of our investigation, it quickly became apparent that the Purported Share Purchases were in fact a sham and merely a way to syphon millions out of MAH.

Creditors will further recall the role played, in relation to these fraudulent transactions, by the Banks; the sums of 48.5m usd and 51.5m usd were transferred respectively by BoC and CS from accounts maintained by MAH with the Banks to the BVI seller company accounts. To make matters worse, seven out of the eight BVI seller companies, maintained their accounts at BoC (the same business center as MAH's accounts were being operated from) thus it ought to have been abundantly clear to BoC that the beneficial owners of the senders and recipients of the funds were the same people.

It is our contention that had the Banks conducted proper due diligence, as they were obliged to do, pursuant to their obligations by virtue of the applicable money laundering legislation in Cyprus and Switzerland, they would not have authorized the transfer of these funds as there was no legitimate commercial purpose to the transactions in question. Creditors are reminded that the beneficial owners of the BVI seller companies were members of the Guta family and the shares paid for were of no and/or negligible value.

A claim for 48.5m usd was filed against BoC in relation to the role it played vis-à-vis the Purported Share Purchases in October of 2017, however, for the reasons set out in the Report to Creditors for the period **17 April 2019 – 16 April 2020**, we withdrew the same, without prejudice to our rights to refile.

We are now ready to proceed with the filing of a fresh claim against BoC, which we believe has been strengthened further to documentation recently received from the accounting department of MAH in Ukraine.



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Dedicated to Corporate Renewal



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Unfortunately, despite our efforts during the last two years, we were unable to secure litigation funding which would have allowed us, inter alia, to cover the legal fees and related expenses which would arise from the filing of the respective lawsuits against the Banks. Be that as it may, we are pleased to report that recent negotiations with Cypriot and Swiss law firms, specifically Constantinos Avgousti and Ferrero Law Firm, have come to fruition, in that we have entered into Contingency Fee Agreements (“CFA”) with them, the terms of which are set out below, based on which they shall represent us in the legal claims against the Banks.

Creditors may recall that we entered into a similar arrangement in connection with the law firm we instructed, namely L. Papaphilippou & Co. LLC, in respect of the action against, inter alia, the Guta family, filed in May of 2018 for \$127m (case number 1238/2018) through which we obtained interim injunctions, including a worldwide freezing order against members of the Guta family.

#### Proposed CFA - Constantinos Avgousti, Claim against BoC

1. For any amount recovered from BoC up to the amount of €5m, a success fee of €750,000, will apply.
2. For any amount recovered in the range of:
  - i. €5m - €10m a success fee of €1m will apply.
  - ii. €10m – €15m a success fee of €1.25m will apply.
  - iii. €15m - €20m, a success fee of €1.5m will apply.
3. For any amount recovered beyond the amount of €20m a success fee of €2m will apply.

#### Proposed CFA terms - Ferrero Counsel, Claim against CS

The legal fees shall be 30% of the amount to be recovered from CS or any other debtor and/or third party.

In respect of both of the claims, in the event no recoveries are made no fees shall be charged and/or be payable to the abovementioned lawyers<sup>1</sup> although out of pocket disbursements shall be covered by the joint Liquidators from funds received by them for their fees. We are advised that the court filing fee alone of the proposed claim against CS will be in the sum of 350,000 CHF.

Given our unsuccessful efforts to secure litigation funding, the CFA agreements entered into represent a positive development for creditors as this facilitates the preservation of the claims against the Banks for losses caused to MAH as a direct consequence of their actions and/or failures.

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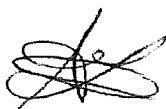
<sup>1</sup> Subject to the Joint Liquidators’ complying with the terms and conditions set out within the CFA’s alternatively the respective lawyers will have the right to terminate the agreement and seek payment of their fees on a time cost basis for the work conducted up to the date of the termination.

If you have any questions or further enquiries, please do not hesitate to contact us.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Chris Iacovides', written in a cursive style.

Chris Iacovides  
Joint Liquidator

A handwritten signature in black ink, appearing to read 'Andri Antoniou', written in a cursive style.

Andri Antoniou  
Joint Liquidator