Prospectus

ERB HELLAS PLC
(incorporated with limited liability in England and Wales)
as Issuer

ERB HELLAS (CAYMAN ISLANDS) LIMITED
(incorporated with limited liability in the Cayman Islands)
as Issuer

and

EUROBANK ERGASIAS S.A.
(incorporated with limited liability in the Hellenic Republic)
as Issuer and as Guarantor

€5,000,000,000
Programme for the Issuance of Debt Instruments

Under this €5,000,000,000 Programme for the Issuance of Debt Instruments (the "Programme"), each of ERB Hellas PLC, ERB Hellas (Cayman Islands) Limited and Eurobank Ergasias S.A. ("Eurobank" or the "Bank" and, together with ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited, the "Issuers" and each an "Issuer" and references herein to the "relevant Issuer" being to the Issuer of the relevant Instruments (as defined herein)) may from time to time issue debt instruments ("Instruments") denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined herein).

Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited will be guaranteed by the Bank (in such capacity, the "Guarantor").

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as amended (the "Prospectus Act 2005") to approve this document as a base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of any of the Issuers or the Guarantor in accordance with Article 7(7) of the Prospectus Act 2005. Application has also been made to the Luxembourg Stock Exchange for Instruments issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. References in this Prospectus to Instruments which are intended to be "listed" (and all related references) on the Luxembourg Stock Exchange shall mean that such Instruments have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU (as amended, "MiFID II").

The requirement to publish a prospectus under the Prospectus Directive (as defined under "Important Information" below) only applies to Instruments which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive ("PD Instruments"). References in this Prospectus to "Exempt Instruments" are to Instruments for which no prospectus is required to be published under the Prospectus Directive. **The CSSF has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Instruments and the CSSF assumes no responsibility in relation to issues of Exempt Instruments.**

The Programme provides that Instruments may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer and the relevant Dealer. Each Issuer may also issue unlisted Instruments and/or Instruments not admitted to trading on any market.

In the case of each Tranche (as defined under "Terms and Conditions of the Instruments") of PD Instruments, notice of the aggregate nominal amount of the PD Instruments, interest (if any) payable in respect of the PD Instruments, the issue price of the PD Instruments and certain other information which is applicable to the relevant Tranche will be set out in a final terms document (the "Final Terms") which will be filed with the CSSF. Copies of the Final Terms in relation to PD Instruments to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*). In the case of each Tranche of Exempt Instruments, notice of the aggregate nominal amount of Exempt Instruments, interest (if any) payable in respect of the Exempt Instruments, the issue price of the Exempt Instruments and certain other information which is applicable to the relevant Tranche will be set out in a pricing supplement document (the "Pricing Supplement"). In the case of Exempt Instruments, references herein to "Final Terms" shall be deemed to be references to "Pricing Supplement", so far as the context admits.

An investment in Instruments involves certain risks. Prospective purchasers of Instruments should ensure that they understand the nature of the relevant Instruments and the extent of their exposure to risks and that they consider the suitability of the relevant Instruments as an investment in the light of their own circumstances and financial condition. CERTAIN ISSUES OF INSTRUMENTS INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the relevant Instruments and are not relying on the advice of the relevant Issuer, (if applicable) the Guarantor or any Dealer in that regard. For a discussion of these risks see "Risk Factors" below.

Each of Fitch Ratings Ltd. ("Fitch"), Moody's Investors Service Limited ("Moody's") and Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's") is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation"). As such each of Fitch, Moody's and Standard & Poor's is included in the list of credit rating agencies registered in accordance with the CRA Regulation and published by the European Securities and Markets Authority ("ESMA") on its website at (*http://www.esma.europa.eu/page/list-registered-and-certified-CRAs*) in accordance with the CRA Regulation. Instruments may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Instruments is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable under the PD Instruments may be calculated by reference to one or more "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "Benchmarks Regulation"). In this case, a statement will be included in the applicable Final Terms as to whether or not the relevant administrator of the "benchmark" is included in the European Securities and Markets Authority's ("ESMA") register of administrators under Article 36 of the Benchmarks Regulation. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable Final Terms to reflect any change in the registration status of the administrator.

Arranger and Dealer

EUROBANK ERGASIAS S.A.

24 May 2018

IMPORTANT INFORMATION

This Prospectus constitutes a base prospectus in respect of all Instruments other than Exempt Instruments issued under the Programme for the purposes of Article 5.4 of the Prospectus Directive. When used in this Prospectus, "Prospectus Directive" means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

The Bank accepts responsibility for the information set out in this Prospectus and any applicable Final Terms. Having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of the Bank, in accordance with the facts and does not omit anything likely to affect the import of such information.

In relation to Exempt Instruments, the applicable Pricing Supplement will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and (if applicable) the Guarantor for the information relating to any Reference Item(s) (as defined under "Risk Factors" below) to which the relevant Exempt Instruments relate and which is contained in such Pricing Supplement. However, unless otherwise expressly stated in the applicable Pricing Supplement, any information contained therein relating to any Reference Item(s) will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Reference Item(s). Unless otherwise expressly stated in the applicable Pricing Supplement, the relevant Issuer and (if applicable) the Guarantor accept responsibility for accurately reproducing such extracts or summaries (insofar as it is applicable) and, so far as the relevant Issuer and (if applicable) the Guarantor are aware and are able to ascertain from information published by the issuer, owner or sponsor, as the case may be, of such Reference Item(s), no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus should be read and construed with any supplement hereto and with any documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference") and, in relation to any Tranche of Instruments, should be read and construed together with the applicable Final Terms.

No person has been authorised by any Obligor (as defined in "Risk Factors" below) to give any information or to make any representation not contained in, or not consistent with, this Prospectus or any other document entered into in relation to the Programme or any information supplied by an Obligor and, if given or made, such information or representation should not be relied upon as having been authorised by any Obligor or any Dealer.

No representation or warranty is made or implied by any of the Dealers or any of their respective affiliates, and none of the Dealers and their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus or any Final Terms nor the offering, sale or delivery of any Instrument shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no material adverse change in the prospects of any Obligor since the date thereof or, if later, the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this

Prospectus or any Final Terms comes are required by each Obligor and the Dealers to inform themselves about, and to observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of this Prospectus or any Final Terms and other offering material relating to the Instruments, see "Subscription and Sale".

In particular, the Instruments have not been and will not be registered under the United States Securities Act of 1933 (as amended) and are subject to U.S. tax law requirements. Subject to certain exceptions, Instruments may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. In addition, unless specifically indicated to the contrary in the applicable Pricing Supplement in the case of an issue of Exempt Instruments, no action has been taken by any Obligor or the Dealers which is intended to permit a public offering of any Instruments outside Luxembourg or any other Member State of the European Economic Area to which this document may be passported in accordance with the procedures under Article 18 of the Prospectus Directive or distribution of this Prospectus in any jurisdiction where action for that purpose is required.

Neither this Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Instruments and should not be considered as a recommendation by any Obligor, the Dealers or any of them that any recipient of this Prospectus or any Final Terms should subscribe for or purchase any Instruments. Each recipient of this Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the relevant Issuer and (if applicable) the Guarantor.

IMPORTANT – EUROPEAN ECONOMIC AREA RETAIL INVESTORS

If the Final Terms in respect of any Instruments includes a legend entitled "*Prohibition of Sales to European Economic Area Retail Investors*", the Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Instruments or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Instruments will include a legend entitled "*MiFID II product governance*" which will outline the target market assessment in respect of the Instruments and which channels for distribution of the Instruments are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Instruments is a manufacturer in respect of such Instruments, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

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In connection with the issue of any Tranche of Instruments, the Dealer or Dealers (if any) named as the Stabilising Institution(s) (or persons acting on behalf of any Stabilising Institution(s)) in the applicable Final Terms may over-allot Instruments or effect transactions with a view to supporting the market price of the Instruments at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Instruments is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Instruments and 60 days after the date of the allotment of the relevant Tranche of Instruments. Any such stabilisation action or over-allotment must be conducted by the relevant Stabilising Institution(s) (or person(s) acting on behalf of any Stabilising Institution(s)) in accordance with all applicable laws and rules.

RISK FACTORS

THE PURCHASE OF CERTAIN INSTRUMENTS MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE RELEVANT INSTRUMENTS. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE PURCHASERS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE APPLICABLE FINAL TERMS. PROSPECTIVE PURCHASERS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE RELEVANT ISSUER, (IF APPLICABLE) THE GUARANTOR OR ANY DEALER.

AN INVESTMENT IN EXEMPT INSTRUMENTS LINKED TO ONE OR MORE REFERENCE ITEM(S) MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY, INCLUDING BUT NOT LIMITED TO THE RISKS SET OUT BELOW. THE AMOUNT PAID BY THE RELEVANT ISSUER ON REDEMPTION OF SUCH EXEMPT INSTRUMENTS MAY BE LESS THAN THE NOMINAL AMOUNT OF SUCH INSTRUMENTS, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO.

CERTAIN ISSUES OF INSTRUMENTS INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

Each of ERB Hellas PLC, ERB Hellas (Cayman Islands) Limited and the Bank (each an "Obligor" and, together the "Obligors") believes that the following factors may affect its ability to fulfil its obligations under Instruments issued under the Programme. All of these factors are contingencies which may or may not occur and none of the Obligors is in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Obligors believe may be material for the purpose of assessing the market risks associated with Instruments issued under the Programme are also described below.

Each of the risks highlighted below could adversely affect the trading price of any Instruments or the rights of investors under any Instruments and, as a result, investors could lose some or all of their investment.

Each of the Obligors believes that the factors described below represent the principal risks inherent in investing in Instruments issued under the Programme, but the relevant Issuer or (if applicable) the Guarantor may be unable to pay interest, principal or other amounts on or in connection with any Instruments for other reasons and none of the Obligors represents that the statements below regarding the risks of holding any Instruments are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Capitalised terms used herein and not otherwise defined shall bear the meanings ascribed to them in "Terms and Conditions of the Instruments" below.

FACTORS THAT MAY AFFECT AN OBLIGOR'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER INSTRUMENTS ISSUED UNDER THE PROGRAMME

Financing arrangements between ERB Hellas PLC and Eurobank or other members of the Group may be affected by the United Kingdom's withdrawal from the European Union

On 23 June 2016 the United Kingdom (the "UK") held a referendum to decide on the UK's membership of the European Union. The UK vote was to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK's exit terms is likely to take a number of years. Until the terms and timing of the UK's exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK's departure from the European Union and/or any related matters may have on (i) any financing arrangements (including the impact of any tax) made between ERB Hellas PLC and Eurobank and/or any member of the Group or (ii) the business of the Group's UK branch, including its ability to conduct business in the UK. As such, no assurance can be given that such matters would not adversely affect the ability of ERB Hellas PLC or Eurobank to satisfy its obligations under the Instruments and/or the market value and/or the liquidity of the Instruments in the secondary market.

Risks Relating to the Greek Economic Crisis

Adverse macroeconomic and financial developments and uncertainty in Greece have had, and are likely to continue to have, significant adverse effects on the Bank's business, results of operations, financial condition and prospects.

The majority of the Group's business is in Greece. Excluding operations in Romania that are classified as held for sale, for the year ended 31 December 2017, the Group's Greek operations accounted for 77 per cent. of the Group's operating income and 77 per cent. of the Bank's net interest income. Excluding operations in Romania which are classified as held for sale, for the same period ended 31 December 2016, the Bank's Greek operations accounted for 76 per cent. of the Bank's operating income and 78 per cent. of the Bank's net interest income. Accordingly, the Bank's business, results of operations, the quality of the Bank's assets and general financial condition are directly and significantly affected by macroeconomic conditions and political developments in Greece. As a financial institution operating in Greece, the Bank holds a portfolio of Greek government debt and related derivatives. As at 31 December 2017, the Group's overall exposure to the Greek state and state entities amounted to €5,126 million, comprising Greek government bonds with a book value of €2,530 million, Greek treasury bills with a book value of €1,044 million, financial derivatives with the Greek state amounting to €1,181 million and loans, financial guarantees and other claims with the Greek state of €371 million. In total, Greek government bonds and Greek treasury bills represented 6 per cent. of the Group's assets and 47 per cent. of the Group's securities portfolio as at 31 December 2017 and 5 per cent. of the Group's assets and 26 per cent. of the Group's securities portfolio as at 31 December 2016. In addition to its effect on the Bank's operations in Greece, the current macroeconomic environment and adverse macroeconomic and political developments in Greece have also had, and may continue to have, a material adverse effect on the Group's reputation, competitive position, results of operations and deposits of the Bank's international operations.

Since May 2010, Greece has been receiving financial support from the European Union ("EU") and the International Monetary Fund ("IMF") in the form of financial loans within the framework of economic adjustment programmes, which included a series of fiscal policy measures and structural reforms. In the private sector involvement in the first half of 2012 (the "PSI"), existing Greek government bonds were exchanged for new Greek government bonds having a face amount equal to

31.5 per cent. of the face amount of the debt exchanged and two-year European Financial Stability Fund ("EFSF") bonds having a face amount equal to 15 per cent. of the face amount of the debt exchanged. Each participating holder also received detachable GDP linked securities of Greece with a notional amount equal to the face amount of the new Greek bonds issued to that participating holder. As at 31 December 2012, total losses to the Group from the PSI amounted to €6.2 billion, most of which were recognised in 2011. In December 2012, the Greek state completed a buy back of Greek government bonds (the "Buy Back Programme"), in which the Bank submitted for exchange the Bank's entire portfolio of new Greek government bonds with a total face value of €2.3 billion (carrying amount €0.6 billion) and received EFSF bonds with a total face value of €0.8 billion. As a result of its participation in the Buy Back Programme, the Group recognised a gain of €192 million for the financial year ended 31 December 2012. As at 31 December 2017, the Bank had total deferred tax assets ("DTAs") of €4.9 billion, of which €1.2 billion related to the PSI and the Buy Back Programme. Under Greek Law 4172/2013, as amended by Greek Laws 4302/2014, 4340/2015, and 4465/2017 a portion of the Bank's DTAs could be converted into directly enforceable claims against the Greek state. Following the Parliamentary elections of 25 January 2015, the Greek government moved to negotiate a new financing framework and a revised reform programme with the IMF, the EU and the ECB (the "Institutions") in the context of the fifth review of the Second Economic Adjustment Programme.

In the context of these negotiations, the Second Economic Adjustment Programme was extended by the EFSF at the request of the Greek government until 30 June 2015, to allow the Greek authorities to design and implement reforms that would lead to a successful conclusion of the review of the Second Economic Adjustment Programme and the design of the necessary implementation measures. Another technical extension of the Second Economic Adjustment Programme had been previously granted on 19 December 2014 until 28 February 2015 (the programme was scheduled to expire on 31 December 2014).

The negotiations and discussions between Greece and the Institutions did not lead to an agreement or the successful completion of the review of the Second Economic Adjustment Programme. As a result, additional financial assistance within the framework of such programme was not dispersed and the liquidity position of the Greek State deteriorated significantly in the period from January 2015 to the end of June 2015.

On 26 June 2015, a referendum on the measures proposed by the Institutions was called by the Greek government for 5 July 2015 against the backdrop of significant pressures on public finances, significant deposit outflows and growing uncertainty on the ability of Greece to continue to meet its international payment obligations.

On 28 June 2015, the ECB announced that it would not increase the ceiling for the emergency liquidity assistance ("ELA") for Greece's banking system from the €89 billion limit agreed on 26 June 2015. At that time, the Eurosystem's support to Greek banks (directly through the ECB's main refinancing operations and indirectly through the ELA) amounted to €126.6 billion (of which the Bank's Eurosystem funding totalled €32.7 billion), which exceeded 70 per cent. of Greece's GDP. Limited access to liquidity in the Greek banking system resulted in heavy reliance on Eurosystem funding, without which Greece's banking system would have come under severe pressure, threatening the continued operations of the Greek banks.

In order to protect the Greek banking system from increasing deposit outflows, the Greek government passed legislation on 28 June 2015 declaring the period from 28 June 2015 through 6 July 2015 a bank holiday for all financial and payment institutions operating in Greece in any form. Simultaneously, restrictions on cash withdrawals from ATMs, transferring funds abroad and other transactions were put in force during the bank holiday. In parallel, the regulated markets and the multilateral trading facility of Athens Stock Exchange ("ATHEX") remained closed throughout the bank holiday, pursuant to a decision of the Hellenic Capital Market Commission. In the referendum

on 5 July 2015, 61.31 per cent. of the voters rejected the bailout conditions proposed by the Institutions. The bank holiday was subsequently extended until 20 July 2015.

After the end of the bank holiday, cash withdrawal and capital transfer restrictions were put in place and are still in effect, mainly pursuant to the Legislative Acts dated 18 July 2015, which was ratified by article 4 of Greek law 4350/2015, as amended and currently in force. The Second Economic Adjustment Programme and the overall financial support framework for Greece expired on 30 June 2015 and Greece missed a payment due to the IMF on the same day. Following the distressed financial conditions generated by the bank holiday, capital controls, deteriorating public finances and arrears due to the IMF, Greece finally made a request for financial support.

On 11 July 2015, the Greek Parliament authorised the Prime Minister and certain other Ministers of the government to negotiate the final terms and conditions for a new loan from the European Stability Mechanism ("ESM").

On 12 July 2015 and 13 July 2015, a Euro Area Summit took place whereby Greece committed to remain within the Eurozone and to adopt a first set of measures to enact within a strict timeline in order to rebuild trust with the Institutions and as a prerequisite for initiating negotiations for the Memorandum of Understanding for further financial support.

The Greek Parliament passed the relevant legislation on 16 July 2015 and on 23 July 2015.

On 17 July 2015, Greece obtained a three-month €7.2 billion bridge loan from the European Union, following which, on 20 July 2015, Greece repaid the totality of its arrears to the IMF, equivalent to Special Drawing Rights ("SDR") 1.6 billion (approximately €2 billion) and €4.2 billion to the ECB. On 23 July 2015, a separate request for financial assistance was sent to the IMF.

On 3 August 2015, the HCMC Board of Directors decided to reopen the regulated markets and the multilateral trading facility operated by ATHEX subject to certain restrictions (primarily on Greek investors).

On 11 August 2015, the Greek authorities, the European Commission and the ECB, with input from the IMF, reached a staff level agreement on the Memorandum of Understanding, which the Eurozone finance ministers (the "Eurogroup") endorsed politically, and on 14 August 2015 the Greek Parliament approved the Financial Assistance Facility Agreement (the "FAFA") and the Memorandum of Understanding. The Memorandum of Understanding provided a further set of prior actions which the Greek Parliament approved on 14 August 2015.

On 19 August 2015, the European Commission (on behalf of the ESM) signed the Memorandum of Understanding, which sets forth the conditions attached to disbursements under the FAFA and a comprehensive set of fiscal and other measures and structural reforms constituting the Third Economic Adjustment Programme, and which included up to €86 billion in financial assistance with an average maturity of 32.5 years. Although the IMF did not participate in the Third Economic Adjustment Programme, it will continue providing technical assistance. The full participation of the IMF was conditional on the implementation of certain structural reforms and the achievement of debt sustainability.

A first disbursement of funds under the FAFA in the amount of €13 billion was made on 20 August 2015. On the same day, following the government's resignation, the Greek Parliament was dissolved on 28 August 2015, and parliamentary elections were called for 20 September 2015. Following the 20 September elections, the governing coalition led by Prime Minister Tsipras remained in power.

The Third Economic Adjustment Programme provides for up to €86.5 billion in financial assistance to be made available to Greece over a period of three years (2015-2018) and requires a series of structural reform measures. A total buffer of up to €25 billion (out of the €86 billion) has been

allocated to address the recapitalisation needs of viable banks and resolution costs of non-viable banks whilst the FAFA specifies the financial terms of the loan Greece will receive from the ESM. In accordance with the Memorandum of Understanding, the disbursement of funds is linked to progress in the delivery of certain policy conditions, reviewed and updated quarterly, that are intended to enable the Greek economy to return to a sustainable growth path based on sound public finances, enhanced competitiveness and investment, high employment and financial stability. Notwithstanding the Third Economic Adjustment Programme, the Greek economy will continue to be affected by the credit risk of other countries in the EU, the creditworthiness of commercial counterparties internationally and the repercussions arising from changes to the European institutional framework, which may contribute to continuing investor fears regarding Greece's capacity to honour its financial commitments.

The Greek Government managed to complete two sets of prior actions - reforms from the Third Economic Adjustment Programme at the end of November 2015 and in December 2015. This permitted the disbursement of two additional instalments of €3 billion in total, from the August 2015 first instalment of the ESM loan. By mid-December 2015, the four systemic banks' recapitalisations were completed with only approximately €5.4 billion from the initial buffer of up to €25 billion used.

On 25 May 2016, the Eurogroup agreed on a package of debt relief measures that will be phased in progressively, i.e., short-term, medium-term and long-term debt relief measures, as required, in order to ensure the sustainability of Greece's public debt. The short-term measures were expected to be implemented after the first review of the Third Economic Adjustment Programme. The medium-term measures implemented, if required, are expected to take place after the successful conclusion of the Third Economic Adjustment Programme (currently scheduled for August 2018).

The first review of the Third Economic Adjustment Programme occurred in June 2016. See "*Failure in implementing the Third Economic Adjustment Programme or in realising the benefits of the programme may have material adverse effects on the Bank's business, results of operations, financial condition and prospects*". The conclusion of the first review of the Third Economic Adjustment Programme permitted the disbursement of an instalment of €10.3 billion that was disbursed in two sub-tranches. The first sub-tranche of €7.5 billion was disbursed in late June 2016 after the approval by the ESM on 21 June 2016. The second sub-tranche of €2.8 billion was approved by the ESM on 25 October 2016 and disbursed shortly afterwards.

In June 2016, a supplemental memorandum of understanding was agreed, which updated certain of the policy conditions set out in the Memorandum of Understanding. The Memorandum of Understanding (as supplemented) states that the primary surplus target for Greece for 2016, 2017 and 2018 is 0.5 per cent., 1.75 per cent. and 3.5 per cent. of GDP, respectively. The 2017 Budget that was ratified by the Greek Parliament in late November 2016 had a forecast for the 2016 primary surplus of 1.1 per cent. of GDP. Based on the most recent available data published by the Hellenic Statistical Authority, the general government primary balance was at a surplus of 3.9 per cent. of GDP in ESA 2010 terms or according to the Greek Government and the European Commission at 4.2 per cent. of GDP in – the stricter – Third Economic Adjustment Programme's terms.

On 15 June 2017, the Eurogroup welcomed the agreement on the second review of the Third Economic Adjustment Programme, reached between Greece and the Institutions after the implementation of a series of prior actions including structural reforms and fiscal structural measures amounting to *circa* 2 per cent. of GDP for the post program period. The agreement paved the way for the release of the next loan tranche to Greece, amounting to €8.5 billion in two sub-tranches, for debt servicing needs and arrears clearance. The first sub-tranche of €7.7 billion has already been disbursed. The second sub-tranche of €0.8 billion has been disbursed by the end of October 2017 conditional on the significant progress by the Greek authorities towards the clearance of the general government arrears to the private sector that amounted at €5.4 billion at the end of July 2017.

The aforementioned developments led to the upgrade of the Greek sovereign rating by Moody's from Caa3 to Caa2 on 23 June 2017 and to a revision of its outlook to positive from stable. Standard & Poor's on 21 July 2017 revised its outlook on Greece to positive from stable and kept its rating unchanged. On 18 August 2017, Fitch Ratings upgraded Greece's sovereign rating to B- from CCC, with a positive outlook, citing reduced political risk and sustained GDP growth. On the back of these positive developments, the Greek Government issued a €3 billion 5-year syndicated bond on 25 July 2017 at a yield of 4.625 per cent. for the first time since July 2014 with the proceeds to be used for further liability /debt management and for the build-up of a state cash buffer in the context of the 15 June 2017 Eurogroup's decisions.

On 22 May 2017, a preliminary technical agreement was reached between Greece and the Institutions in the context of the second review of the Third Economic Adjustment Programme, which had officially started in October 2016. On 22 January 2018, the Eurogroup welcomed the implementation of almost all of the agreed prior actions for the third review of the Third Economic Adjustment Programme. The positive report by the Euro Working Group on 2 March 2018 on the full implementation of the outstanding prior actions, paved the way for the disbursement of the first sub-tranche of €5.7 billion in the second half of March 2018 for debt servicing needs, further arrears clearance and support the build-up of a state cash buffer. The second sub-tranche of €1 billion will be used for arrears clearance and will be disbursed in the second quarter of 2018, subject to positive reporting by the European institutions on the clearance of net arrears using also own resources and a confirmation from the European institutions that the unimpeded flow of e-auctions has continued. The discussions for the completion of all the actions required for the conclusion of the fourth review of the Third Economic Adjustment Programme in June 2018 are already under way. A Staff Level Agreement on the conclusion of the fourth review is expected on the May 25 2018 Eurogroup. According to the ESM the total amount disbursed to Greece so far – not-including the aforementioned sub-tranche of €5.7 billion – amounts to €45.9 billion out of a total ESM loan of €86.5 billion. From these *circa* €27.4 billion will remain undisbursed in August 2018 mainly as a result of lower bank recapitalization needs and the better than previously expected 2016 primary surplus realization. The amount that is expected to be disbursed to Greece by the end of the Third Economic Adjustment Programme is at *circa* €11.7 billion.

As of late May 2018, there is no agreement on the post – programme relation between Greece and the European Institutions. The Greek government aims to continue its market access programme – two bond issuances and a debt swap since mid-2017 – in the post programme period. According to the most recent ESM Compliance report (March 2018) and conditional on the continuation of the Third Economic Adjustment Programme funding until the end of the programme, the Greek government aims to create a cash buffer of *circa* €16.4 billion that would facilitate its market access for twelve months after the end of the programme (August 2018).

On 19 January 2018, Standard & Poor's upgraded the Greek sovereign rating from B- to B with a positive credit outlook on the basis of the improved fiscal and growth outlook as well as the labour market recovery and the political stability relative to the recent past. Fitch on 16 February 2018 upgraded the Greek sovereign rating from B- to B with a positive credit outlook on the basis of improved fiscal conditions on expectations of a prompt conclusion of the Third Economic Adjustment Programme as well as on the expectation of an agreement on further debt relief measures by the end of the program. Furthermore, Moody's on 21 February 2018 upgraded the Greek sovereign rating from Caa3 to B3 based on similar arguments. The sovereign's rating is still significantly below the investment grade but the recent upgrades and the progress on program implementation led to the improvement of the yield off the Greek 10-YR bonds by *circa* 26 per cent. between late April 2018 and the end of November 2017, just before the staff level agreement achieved in the 4 December 2017 Eurogroup.

The IMF, conditional on its internal procedures, is expected to participate in principle in the Third Economic Adjustment Programme but still considers the Greek public debt as unsustainable.

According to the 22 January 2018 Eurogroup's decisions the further quantification of the medium-term debt relief measures and their implementation, if necessary, is expected to take place after the successful conclusion of the current programme in August 2018. The clarification of the medium-term debt relief measures constitutes a necessary precondition for the participation of the IMF on the current programme. In addition, the ECB requires a quantification of the medium-term debt relief measures and sustainable debt for the participation of Greece in the public sector purchase programme (quantitative easing), conditional that the latter is still in place at the time of the quantification. Note that, the conclusion of the first review of the Third Economic Adjustment Programme led to the implementation of the short-term debt relief measures from 20 January 2017 onwards. Greece has encountered and continues to encounter significant fiscal challenges and structural weaknesses in its economy that led to concerns of a possible Greek exit from the Eurozone. However, this risk carries now a lower probability compared with mid 2015 since the current government was elected with a pro-reform programme in late September 2015, the main opposition party is pro-reformist as well and the Third Economic Adjustment Programme is just miles from its end with significant results achieved so far. The potential magnitude and range of effects that may occur if Greece were to exit the Eurozone are uncertain, but any exit or threat of exit could have a material adverse effect on the Bank's operations and liquidity position, including the Bank's ability to continue accessing ECB funding. In addition, the increased foreign currency exchange rate risk from the adoption of a national currency, which could be devalued significantly against other major currencies, could impact the Bank's business, results of operations, financial condition and prospects. For further details on exchange risk, see "*General risk factors*" – "*Exchange rate risks and exchange controls*".

Further, the negotiations in the first half of 2015, the failure to successfully complete the last review of the Second Economic Adjustment Programme, the ensuing financial, fiscal and political uncertainty, the imposition of capital controls, the referendum, the bank holiday and associated political uncertainty, the delayed conclusion of the first and second reviews of the Third Economic Adjustment Programme, negatively affected consumer and investment confidence in the Greek economy and the trust between the Greek government and the Institutions, which still may jeopardise the implementation of the Third Economic Adjustment Programme and the benefits expected therefrom, leading to additional significant political and macroeconomic consequences. See "Failure in implementing the Third Economic Adjustment Programme or in realising the benefits of the programme may have material adverse effects on the Bank's business, results of operations, financial condition and prospects".

The current macroeconomic environment, adverse macroeconomic and political developments and uncertainty in Greece have had, and are likely to continue to have, a material adverse effect on the Bank's business, results of operations, financial condition and prospects, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The Group may not be allowed to continue to recognise the main part of deferred tax assets under IFRS as regulatory capital, which may have an adverse effect on its operating results and financial condition.

The Group currently includes deferred tax assets calculated in accordance with IFRS as endorsed by the EU ("DTAs") in calculating the Group's capital and capital adequacy ratios. As at 31 December 2017, the Group DTAs was €4.9 billion (31 December 2016: €4.9 billion).

The Group reviews the carrying amount of its DTAs at each reporting date, and such review may lead to a reduction in the value of the DTAs on the Group's statement of financial position, and therefore reduce the value of the DTAs as included in the regulatory capital.

Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("CRD IV") provides that DTAs recognised for IFRS purposes

that rely on the future profitability of a credit institution and exceed certain thresholds must be deducted from its CET1 (Common Equity Tier 1) ("CET1") capital. This deduction will be implemented gradually until 2024.

The deduction introduced by CRD IV has a significant impact on Greek credit institutions, including the Group. However, as a measure to mitigate the effects of the deduction, article 27A of Greek Law 4172/2013, as introduced by paragraph 1 of article 23 of Greek Law 4302/2014 and amended by article 5 of Greek law 4303/2014, by article 4 of Greek law 4340/2015, and recently by paragraph 2 of article 43 of Greek Law 4465/2017 applicable from 2016 onwards, article 82 of Greek Law 4472/2017 and paragraph 3 of article 80 of Greek Law 4484/2017 (the "DTC Law") allows, under certain conditions, credit institutions to convert DTAs arising from the Private Sector Involvement ("PSI") and the Greek State Debt Buy Back Program unamortised losses, as well as from the sum of (a) the unamortized part of the crystallized loan losses from write offs and disposals, (b) the accounting debt write offs and (c) the remaining accumulated provisions and other losses due to credit risk recorded up to 30 June 2015 reduced by the amount of any utilized tax credit and of any yearly amortization of crystallized loan losses from write-offs and disposals as well as any posterior specific tax provisions which are specifically attributable to the said accumulated provisions (the "Eligible DTAs" or "DTCs") to final and settled claims against the Hellenic Republic (the "Tax Credits"). As at 31 December 2017, the Group's eligible DTAs amounted to €4 billion (31 December 2016: €4 billion).

Each time applicable income tax rates for the calculation of Eligible DTAs cannot exceed the rate applicable for the fiscal year 2015, i.e. 29 per cent. To be noted that article 58 of Greek Law 4172/2013, as recently amended by article 14 of Greek Law 4472/2017, provides for a decrease from 29 per cent. to 26 per cent. of the Greek corporate tax rate for legal persons and legal entities other than credit institutions for the tax years starting from 1 January 2019 and onwards, if certain preconditions in the context of the Third Economic Adjustment Program of Greece are met.

The main condition for the creation of Tax Credits is the existence of an accounting loss (after tax) at the Bank standalone level for a respective year, starting from accounting year 2016 and onwards, for which Tax Credits can be created in the following year, i.e., from 2017. The Tax Credits will be calculated as a ratio of IFRS accounting losses after tax to net equity (excluding the IFRS year's losses after tax) and such ratio will be applied to the remaining Eligible DTAs in a given year to calculate the Tax Credit that will be converted in that year, in respect of the prior tax year. This legislation allows credit institutions, including the Group, to treat such Eligible DTAs as not "relying on future profitability" according to CRD IV, and as a result such Eligible DTAs are not deducted from CET1, thereby improving an institution's capital position.

In April 2015, the European Commission announced that it had sent requests for information to Spain, Italy, Portugal and Greece regarding their treatment of deferred tax credits for financial institutions under national law. Even though the European Commission has not launched a formal investigation up to now, there can be no assurance that the tax provisions implemented by the DTC Law as described above, which was fashioned after the Portuguese DTC regulation, will not be challenged by the European Commission as illegal state aid. However, pursuant to article 82 of Law 4472/2017, which amended article 27A of Law 4172/2013 in May 2017, an annual fee of 1.5 per cent. is imposed on the excess amount of deferred tax assets guaranteed by the Greek State, stemming from the difference between the current tax rate (i.e. currently 29 per cent.) and the tax rate applicable on 30 June 2015 (i.e. 26 per cent.). According to the Explanatory Report of Greek Law 4472/2017, which introduced the annual fee of 1.5 per cent. as above, such measure was implemented to address potential state aid issues. Further, for the period ended on 31 December 2017, an amount of €14 million has been recognized in the Bank's income statement out of which the amount of €7 million refers to the respective fee for the year 2016.

Notwithstanding the above, there can be no assurance that any final interpretation of the amendments described above will not change or that the European Commission will not conclude

that the treatment of the DTCs under Greek Law is illegal and, as a result, Greek credit institutions will ultimately not be allowed to maintain certain DTCs as regulatory capital.

If the regulations governing the use of DTCs as part of the Group's regulatory capital change, this may affect the Group's capital base and consequently its capital ratios. As at 31 December 2017, 57.4 per cent. of the Group's CET1 capital was comprised of DTCs. If any of the above risks materialise, this could have a material adverse effect on the Group's ability to maintain sufficient regulatory capital, which may in turn require the Group to issue additional instruments qualifying as regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have a material adverse effect on the Group's operating results and financial condition and prospects.

Failure in implementing the Third Economic Adjustment Programme or in realising the benefits of the programme may have material adverse effects on the Bank's business, results of operations, financial condition and prospects.

In the event of failure in the implementation of the Third Economic Adjustment Programme, if Greece defaults on its debt in the future or if further restructuring of such debt is implemented, the Bank's regulatory capital will likely be affected because of the potential need for significant additional provisions for loans and other assets, and the Bank may have to seek additional capital. In such circumstances, the Bank may not be in a position to raise additional capital on favourable terms, or at all, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The fiscal targets of the Third Economic Adjustment Programme and/or the fiscal targets for the period after the end of the Third Economic Adjustment Programme may not be met despite the measures already decided for the post-programme period and the Bank cannot assess the effects of the measures implemented under the programme on general economic activity. Further, the Greek government may not be in a position to implement the required structural reforms in full on a timely basis. Failure to implement such reforms and to attain the fiscal targets of the Third Economic Adjustment Programme may lead to termination of the financial support by the ESM, which will in turn increase the risk of the occurrence of an adverse credit event regarding Greece's public debt. Any risks relating to financial stability in Greece and the ability of Greece to fulfil its international obligations, either as such or in combination with other adverse developments (including, for example, aggravation of international financial conditions or at a Eurozone level), could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects, including:

- a significant increase in the provisions the Bank record, mostly for loans;
- a reduction of the carrying amount of the Bank's portfolio of Greek government debt and other securities;
- an impairment in the carrying amount of the Bank's DTAs;
- a weakening of the Bank's regulatory capital position;
- significant difficulties in raising funds and complying with minimum capital and funding regulatory requirements;
- a substantial reduction in the Bank's liquidity;
- difficulty in achieving sustainable levels of profitability;

- increased ownership and control by the Greek state, including as a result of the provision of new capital support;

- forced consolidation in the banking sector; and

- imposition of resolution measures under Law 4335/2015, which implemented the Bank Recovery and Resolution Directive (establishing a framework for the recovery and resolution of credit institutions and investment firms (the "BRRD")).

Even if the Third Economic Adjustment Programme is successfully implemented, the Greek economy may not achieve the level of economic growth required to ease the financial constraints affecting the country and the markets. In addition, even if the Third Economic Adjustment Programme is successfully implemented, the Greek government may not be able to achieve a permanent access in the international markets and may ask for a credit line or a new financing programme. Furthermore, if the Greek economy requires more time than expected to respond to social security, labour market and other structural reforms intended to enhance competitiveness or if fiscal effects of the recession are more severe than currently anticipated, the financial crisis may last longer than expected. In addition, any delay, defect or failure in the implementation of any of the above measures under the Third Economic Adjustment Programme may have an adverse effect on the Greek banking sector in general and could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

The capital control measures currently in force have adversely affected and may further affect the Greek economy and cause further liquidity challenges and increase NPEs.

On 28 June 2015, following the announcement of the ECB that it would not increase the ceiling for the ELA for Greece's banking system from the €89 billion limit agreed on 26 June 2015, the Greek government implemented cash withdrawal and capital transfer restrictions. At that time, the Eurosystem's support to Greek banks (directly through the ECB's main refinancing operations and indirectly through the ELA) amounted to €126.6 billion (of which the Bank's Eurosystem funding totalled €32.7 billion), which exceeded 70 per cent. of Greece's GDP. According to the Bank of Greece, in December 2017, the Eurosystem's support to Greek banks amounted to €33.7 billion with ELA at €21.6 billion, a significant improvement compared with the ELA as at late June 2015. These capital controls have caused, and are likely to continue to cause, distress to the economy due to the loss of confidence in the Greek banking sector, the constriction in liquidity and the adverse effect on Greek exports, among other factors.

Capital controls still remain in place, and any resulting decline in customer demand and customers' ability to service their liabilities, may lead to a further contraction of liquidity in the market and an increase in troubled assets, which, consequently, may have an adverse impact on the Bank's liquidity, business, results of operations, financial condition and prospects, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner. So long as capital controls are in place, the Bank's operations are limited. Moreover, as and when such restrictions are reduced or lifted, the Bank may experience significant deposit outflows which could adversely affect the Group's business, financial condition, results of operations and prospects and the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The prolonged economic recession has placed significant pressure on companies and individuals in Greece, and the Bank is exposed to their financial performance and creditworthiness.

As one of the systemic banks operating in Greece, the Bank's business, results of operations, financial condition and prospects are exposed in many different ways to the economic and financial performance, creditworthiness, prospects and economic outlook of companies and individuals in Greece or with a significant economic exposure to the Greek economy, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner. For

example, the Bank's business activities depend on the level of demand for banking, finance and financial products and services, as well as customers' capacity to service their obligations or maintain or increase their demand for the Bank's services. Customer demand and customers' ability to service their liabilities depend considerably on their overall economic confidence, prospects, employment status, the state of public finances in Greece, investment and procurement by the central government and municipalities and the general availability of liquidity and funding on reasonable terms.

According to the Hellenic Statistical Authority, the Greek economy has been in recession from 2008 to 2016 (with the exception of 2014 where positive growth of 0.4 per cent. of GDP was realised). Revised data based on the new European System of Accounts methodology (ESA 2010) shows that real GDP in Greece decreased by a total of 26.4 per cent. between 2008 and 2016. According to the most recent data issued by the Hellenic Statistical Authority, real GDP increased in 2017 by 1.4 per cent. from -0.2 per cent. and -0.3 per cent. in 2016 and 2015 respectively. The IMF's Spring 2018 forecast for 2018 was at 2 per cent. and the respective European Commission's Spring 2018 forecast was at 1.9 per cent. The 2018 budget's real GDP forecasts for 2018 was at 2.5 per cent. According to ELSTAT's 1st 2018 Fiscal Data Notification the 2017 in ESA2010 terms, the primary balance (before debt service costs) registered a surplus of 4 per cent. of GDP. In Third Economic Adjustment Programme terms the aforementioned 2017 primary surplus is at 4.2 per cent. of GDP according to an announcement by the Greek Ministry of Finance, significantly higher compared to the respective programme target of 1.75 per cent. of GDP. In addition, the fiscal goal for 2018 under the 2018 budget is to achieve a primary surplus of 3.82 per cent. of GDP in 2018. The primary balance target in the Third Economic Adjustment Programme for Greece in 2018 is at 3.50 per cent. of GDP. Such targets may not be met and the Greek economy may not recover.

The fiscal discipline measures introduced in the First and the Second Economic Adjustment Programmes have significantly reduced household disposable income and business profitability, and the additional measures introduced under the terms of the Third Economic Adjustment Programme are expected to add further pressure, and consequently, to have a further adverse effect on the ability of households and businesses to service their loans and meet their other financial obligations to the Bank and the other operators in the Greek banking sector.

Fiscal discipline measures and the potential deterioration in the business environment may further weaken the demand for loans. Further, the need to reduce Greek banks' dependence on Eurosystem funding has caused, and may further cause, the banks to decrease their lending activity even further.

In an environment characterised by continuing turbulence in the market, negative macroeconomic conditions and high levels of unemployment, combined with decreasing private consumption and corporate investment and the deterioration of credit profiles of corporate and retail borrowers, the value of the assets which collateralise the loans the Bank has extended, including houses and other immovables, could be further significantly reduced or could result in an increase in loans in arrears. Since the implementation of the Second Economic Adjustment Programme has not been completed, especially with regard to the scheduled structural reforms, and further fiscal measures were required in addition to the ones already agreed upon, growth in financial activity was much lower than expected in 2014-2016. According to the most recent Bank of Greece data, in March 2018 private sector credit growth was again negative at 6.1 per cent. If the implementation of the Third Economic Adjustment Programme is also not successful, increase of financial activity may be significantly lower than expected for 2018, and the post-programme period, which could further delay the recovery of the Greek economy. Under the worst case scenario, or if there will be no agreement on the post programme relation between Greece and the Institutions and no implementation of medium-term debt relief measures or if the said agreement and the debt relief measures fail to achieve their targets, a severe economic recession, coupled with increasing market uncertainty and volatility in asset prices, higher unemployment rates and declining consumer spending and business investment, could result in further substantial impairments in the values of the Bank's loan assets, decreased demand for borrowings, increased deposit outflows (in the event that the current capital controls

regime is reduced or lifted) and/or a significant increase in the level of non-performing exposures ("NPEs").

Even if the Third Economic Adjustment Programme is successfully implemented, the Greek economy may not achieve the sustained and robust growth that is necessary to ease the financial constraints on the country and improve conditions for foreign direct investment and the availability of funding from the capital markets.

The Bank's ability to obtain unsecured funding remains constrained and its access to the capital markets is limited; the Bank remains dependent on the ECB and the Bank of Greece for funding and the Bank's liquidity may be affected by their decisions.

Following lengthy periods of recession and weak economic growth in Greece and Europe, which has adversely affected the Bank's credit rating, limiting the Bank's access to international markets for funding, and the continued and sharp decline in the Group's deposits since 2009 (increased considerably the Bank's reliance on funding from the ECB and the Bank of Greece within the Eurosystem. The deterioration in the Bank's credit rating has also resulted in increasing funding costs and the need to provide additional collateral in repurchase agreements and other collateralised funding agreements, including the Bank's agreements with the ECB and the Bank of Greece. The severity of pressure experienced by Greece in its public finances has also restricted the Bank's access to the capital markets for funding, particularly unsecured funding and funding from the short-term interbank market, because of concerns by counterparty banks and other creditors. The past uncertainties relating to the implementation of the Second Economic Adjustment Programme and the sovereign debt reduction through the PSI, as well as uncertainty relating to the implementation of the Third Economic Adjustment Programme and the post-programme period, have adversely affected and are expected to continue to adversely affect liquidity and profitability of the Greek financial system in general and of the Bank in particular. Liquidity in the Greek banking system is limited, reflecting limited access to the market for financing since the end of 2009 and a sizeable contraction of the domestic deposit base since the end of 2010 and a heavy reliance on Eurosystem funding (directly through the ECB's main refinancing operations and indirectly through the ELA mechanism of the Bank of Greece), as well as more recently the imposition of capital controls. However, since 2015 the Bank is experiencing a slight improvement in deposits from €29.7 billion as at 31 December 2015 to €32.1 billion as at 31 December 2016 and €33.8 billion as at 31 December 2017 (each period excluding operations in Romania which are classified as held for sale). Further, access to capital markets, though still limited, has been gradually improving as has been evidenced by the recent issuance of a 3-year €500 million Covered Bond in late October 2017 (following a €750 million Covered Bond issue by another Greek systemic Bank in early October and the Greek sovereign's 5-year new issue in July 2017).

Political initiatives at an EU level for amendments to the framework for supporting credit institutions have resulted in the adoption of the BRRD in May 2014, which was transposed into Greek law with effect from 23 July 2015 (with the exception of certain provisions, which became effective on 1 January 2016). The implementation of the BRRD may result in shareholders, creditors and unsecured depositors sharing the risks and potential costs of the recapitalisation and/or liquidation of troubled banks, which may result in a loss of customer confidence in the countries in which the Bank operates and further outflows of deposits from the banking system. The risk that creditors may also be required to bear the risks and potential costs of a recapitalisation and/or liquidation may result in an increase in the Bank's cost of funding. The Bank's ECB funding and funding from the Bank of Greece through the ELA (which has less strict collateral rules but carries a higher rate of interest, currently 150 basis points above the interest rate charged on ECB funding), has increased considerably since the start of the Greek crisis, peaking in 2012 and again in 2015; since then, however, as market and liquidity conditions have been improving, the Bank's dependence on ECB (and ELA in particular) funding, has been declining. As at 31 December 2016, the Bank's net Eurosystem funding was €13.9 billion, out of which €11.9 billion involved funding from the ELA and €2 billion involved funding from the ECB, compared to €25.3 billion of Eurosystem funding as at 31

December 2015. As of 31 December 2017, Eurosystem funding was €10 billion, of which funding from ELA was €7.9 billion.

The liquidity the Bank receives from the ECB or the Bank of Greece may be adversely affected by changes in ECB or Bank of Greece regulations. In February 2015, due to the uncertainty around a successful conclusion of the review of the Second Economic Adjustment Programme, the ECB lifted (effective from 11 February 2015) the waiver previously applicable to marketable debt instruments issued or fully guaranteed by the Greek state that allowed these instruments to be used as collateral in Eurosystem monetary policy operations despite the fact that they did not fulfil minimum credit rating requirements. However, on June 2016 and following the completion of the first review of the Third Adjustment Programme, the ECB has reinstated this waiver and reduced the applicable haircuts. Further, as of 1 March 2015, bonds issued by a counterparty of the ECB and guaranteed by EEA government entities may no longer be used as collateral by the Bank in the ECB's monetary policy operations, subject to the possibility of temporary derogations.

The amount of funding available from the ECB or the Bank of Greece is tied to the value of the collateral the Bank provides, including the market value of the Bank's holdings of Greek government bonds, which may decline. If the value of the Bank's assets decline, then the amount of funding that the Bank can obtain from the ECB or the Bank of Greece will be correspondingly limited. In addition, if the ECB or the Bank of Greece were to continue to revise their collateral standards or increase the rating requirements for collateral securities such that these instruments are no longer eligible to serve as collateral, the Bank's funding costs would be materially increased and the Bank's access to liquidity limited. In addition, a continuation in deposit withdrawals and prolonged need for additional Eurosystem funding may lead to the exhaustion of available collateral required to raise funds from the Eurosystem. Any such constraints in the Bank's ability to obtain funding could adversely affect the Group's business, financial condition, results of operations and prospects, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Should the capital controls be lifted, if a significant outflow of funds from customer deposits were to materialise, this could have an adverse liquidity impact, put upward pressure on the Bank's costs of funding and have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Historically, one of the Bank's principal sources of funds has been customer deposits. Since the Bank relies on customer deposits for the majority of the Bank's funding, if the Bank's depositors were to withdraw their funds at a rate faster than the rate at which borrowers repay their loans, or if the Bank is unable to obtain the necessary liquidity by other means, the Bank would be unable to maintain the Bank's current levels of funding without incurring significantly higher funding costs or having to liquidate certain of the Bank's assets, or without increasing access to the Eurosystem under its then-current terms. As a result of the political and financial uncertainty in 2015, the Greek banking system, including the Group, has experienced substantial deposit outflows, which have affected the Group's liquidity position. As at 31 December 2017, excluding operations in Romania that are classified as held for sale, the Group's customer deposits were €33.8 billion, compared to €32.1 billion as at 31 December 2016.

Although domestic customer deposits have stabilised following the imposition of capital controls at the end of June 2015 and even improved in 2016 and 2017, there can be no assurance that such capital controls will not be eliminated or significantly relaxed or that the Group's customer deposits will not suffer further decreases in the future. Further, the general scarcity of wholesale funding since the onset of the economic crisis has led to a significant increase in competition for retail and corporate deposits in Greece. Eurobank faces competition from other Greek banks and Greek branches of foreign banks, many of which may have greater resources and superior credit ratings to Eurobank's own. The Bank's competitors may be able to recover deposits faster than Eurobank can or secure funding at lower rates.

The ongoing availability of deposits to fund the Bank's loan portfolio is subject to potential changes in certain factors outside of the Bank's control, such as depositors' concerns regarding the economy in general, the financial services industry or the Bank specifically, the risk of implementation of changes in the framework for supporting the financial credit institutions that are having problems by requiring the participation of their respective shareholders, their creditors and their unsecured depositors and/or initiatives for taxation of deposits, significant further deterioration in economic conditions in Greece and the availability and extent of deposit guarantees. Government or resolution authority interventions aimed at alleviating the financial crisis and preventing a potential bank failure are uncertain and carry additional risks. Unsecured depositors sharing the burden of the recapitalisation and/or liquidation of troubled banks, as well as the taxation of deposits, may result in a loss of customer confidence and lead to further outflows of deposits from the Greek banking system, which would have a material adverse effect on the Issuer's ability to operate as a going concern (see "*Risks Relating to the Issuer's Business—The new framework on bank recovery and resolution may adversely affect the composition of the Issuer's Board of Directors and management team and the Issuer's financial condition, results of operations and prospects*").

Any loss in customer confidence in the Bank's banking business or in the banking sector in general could significantly increase the amount of customer deposit withdrawals, or increase the cost of deposits, in a short period of time. If the Bank or its subsidiaries experience an unusually high level of withdrawals or are unable to replace such withdrawals, the unavailability of funding or higher funding costs may have an adverse effect on the Bank's results, financial condition and prospects. Unusually high levels of withdrawals could prevent the Bank or any entity of the Group from funding operations and meeting minimum liquidity requirements. In those circumstances, the Bank and its subsidiaries and affiliates may not be in a position to continue operating without additional funding support, which the Bank may be unable to secure. The cash withdrawal and capital transfer restrictions that are currently in place aim to prevent large scale and widespread withdrawals of bank deposits and safeguard the Greek banking system. Such restrictions, however, may not remain in place, and may be lifted in the near future. The Bank cannot predict future legislative developments in connection with the capital controls imposed and their effect on the Bank's customers and, consequently, their impact on the Bank's financial condition.

The Bank is exposed to the risk of political instability in Greece.

The Bank's business, results of operations, the quality of the Bank's assets and general financial condition are directly and significantly affected by political developments in Greece. Since 2009, there have been four parliamentary elections and one referendum on the bail-out measures proposed by the Institutions, with voters going to the polls three times in 2015 alone. The current government of Prime Minister Tsipras holds a slim majority in Parliament and it is required to pass a number of unpopular reforms as part of the Third Economic Adjustment Programme. If the passage of reform legislation is stalled in Parliament or if the economic environment and social tensions precipitate a change in government, this could result in political instability and market uncertainty. The current political, economic and budgetary challenges that the Greek government faces with respect to Greece's high public debt burden and challenging economic prospects may continue throughout 2018 and beyond. Any change in economic policy as a result of a change in government or a revision in policies could affect the Bank's business and strategic orientation, which may adversely affect the Bank's business, financial condition, results of operations and prospects.

The EU regulatory and supervisory framework may constrain the economic environment in Greece and adversely impact the operating environment of the Bank.

In May 2013, two regulations were enacted by the European Parliament: (i) Regulation (EU) 473/2013 on common provisions for surveillance of draft budgetary plans of euro area member states, with special regimes for those subject to an excessive deficit procedure; and (ii) Regulation (EU) 472/2013 on enhanced economic and budgetary surveillance of Member States in the euro area experiencing or threatened with serious financial difficulties or in receipt of financial

assistance. These two regulations, which became effective in May 2013, introduced provisions for tighter monitoring of countries' budgetary policies. In addition, greater emphasis is being placed on the debt criterion of the Stability and Growth Pact, under which Member States whose debt exceeds 60 per cent. of GDP (i.e., the EU's debt reference value) without diminishing at an adequate rate (i.e., by 5 per cent. per year on average over three years), such as Greece, would be required to take steps to reduce their debt at a pre-defined pace, even if their deficit is below 3 per cent. of GDP (the EU's deficit reference value). As a preventive measure, an expenditure benchmark, which implies that annual expenditure growth should not exceed a reference medium-term rate of GDP growth, has been implemented. A new set of financial sanctions has been introduced for Member States that do not comply with the excessive deficit procedure as described in Regulation 473/2013 of the European Union; such sanctions are triggered at a lower deficit level and use a graduated approach. Given the dimensions of Greece's public debt imbalance, these measures are likely to have the effect of limiting the government's capacity to stimulate economic growth through spending or through a reduction of the tax burden for a long period. Any limitation on growth of the Greek economy is likely to adversely affect the Group's business, financial condition, results of operations and prospects, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The Bank may require additional capital in order to satisfy supervisory capital and liquidity requirements.

Eurobank is required by the Single Supervisory Mechanism ("SSM") and the regulatory authorities in Greece and in other jurisdictions where Eurobank undertakes regulated activities to meet minimum capital and liquidity requirements. Based on the 2018 Basel III transitional rules, as at 31 December 2017, the Group had a phased in CET1 ratio of 17.9 per cent. and a phased in total capital adequacy ratio of 18 per cent. The pro-forma phased in CET1 and Total Capital Adequacy ratios as at 31 December 2017, with the completion of (a) the disposal of the Romanian subsidiaries classified as held for sale and (b) the full redemption by the Bank of the preference shares owned by the Greek State and the issuance by the Bank of subordinated notes constituting Tier 2 capital instruments would be 15.8 per cent. and 18.4 per cent., respectively. Based on full implementation of Basel III in 2024, as at 31 December 2017, the Group had a fully loaded CET1 ratio of 14.9 per cent. and a fully loaded total capital ratio of 15 per cent. The Group's fully loaded CET1 as at 31 December 2017, pro-forma with the completion of the disposal of the Romanian subsidiaries classified as held for sale would be 15.3 per cent., while the Total Capital Adequacy Ratio pro-forma with the completion of the above disposal and the full redemption by the Bank of the preference shares owned by the Greek State/ the issuance by the Bank of subordinated notes constituting Tier 2 capital instruments would be 17.9 per cent. The fully loaded CET1 will not be affected with the aforementioned redemption of the preference shares/ the issuance of Tier 2 capital instruments.

The Bank's and the Banks regulated subsidiaries' ability to maintain required regulatory capital ratios could be affected by a number of factors, including the level of risk-weighted assets ("RWAs"). In addition, the Group's capital adequacy ratio will be directly affected by the Group's after-tax results, which could be affected, most notably, by a greater than anticipated worsening of economic and market conditions and, as a result, asset impairments. Eurobank may, therefore, in the future have insufficient capital resources to meet minimum regulatory capital and liquidity requirements. In addition, minimum regulatory requirements may increase in the future, such as pursuant to the supervisory review and evaluation process ("SREP"), and/or the manner in which existing applied regulatory requirements may change. Likewise, liquidity requirements may come under heightened scrutiny, and may place additional stress on the Bank's liquidity demands in the jurisdictions in which Eurobank operates.

Any failure by the Bank to maintain minimum regulatory capital ratios could result in administrative actions or other sanctions, which in turn may have a material adverse effect on the Bank's operating results, financial condition and prospects or even result in the revocation of the Bank's licence. See "*Regulation and Supervision of Banks in the Hellenic Republic*". If the Bank is required to bolster its

capital position, it may not be possible for the Bank to raise additional capital from the financial markets or to dispose of marketable assets.

Effective management of the Bank's regulatory capital is critical to the Bank's ability to operate the Bank's businesses, to grow organically and to pursue the Bank's strategy. Any change that limits the Bank's ability to manage the Bank's balance sheet and regulatory capital resources effectively, including, for example, reductions in profits and retained earnings as a result of write-downs or otherwise, increases in risk-weighted assets, delays in the disposal of certain assets or an inability to syndicate loans as a result of market conditions or otherwise or an inability to access funding sources could have a material adverse impact on the Bank's financial condition and regulatory capital position which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

IFRS 9 Financial Instruments

From 1 January 2018, the Group implements IFRS 9 which introduces a new accounting framework for the recognition and measurement of credit losses. For information regarding the impact of the new standard please refer to the audited consolidated annual financial statements of the Bank as of the financial year ended 31 December 2017 (note 2.1.2) which are included in "Documents Incorporated by reference").

The Bank may not be able to preserve its customer base.

The Bank's success depends on the Bank's capacity to maintain high levels of loyalty among the Bank's customer base and to offer a wide range of competitive and high quality products and services to the Bank's customers. In order to pursue these objectives, Eurobank has adopted a strategy of segmentation of its customer base, aimed at serving the various needs of each segment in the most suitable manner. Moreover, Eurobank seeks to maintain long-term financial relations with its customers through the sale of a full range of products and services. Nevertheless, Eurobank may not be able to continue to compete successfully with domestic and international banks in the future given the high levels of competition in Greece and in other countries where Eurobank operates. An increased emphasis in cost reduction may result in an inability to maintain high loyalty levels of the Bank's customer base, in providing competitive products and services, or of maintaining high customer service standards, each of which may materially adversely affect the Bank's business, financial condition, results of operations and prospects.

The Bank's wholesale borrowing costs and access to liquidity and capital depend on the credit ratings of both the Bank and Greece.

A downgrade in the credit ratings of the Bank or of Greece may have an adverse effect on the Bank's access to and cost of funding, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Negative publicity following a downgrade in the Bank's credit rating may have an adverse effect on depositors' sentiment, which may increase the Bank's dependence on Eurosystem and ELA funding. The Bank is currently restricted in its ability to obtain funding in the capital markets and is heavily dependent on the Eurosystem for funding, and any further reductions in the long-term credit ratings of the Bank or Greece could delay the Bank's return to the capital and interbank markets for funding, increase the Bank's borrowing costs and/or restrict the potential sources of funding available to the Bank.

Since 2009, Greece has experienced a series of credit rating downgrades and in 2010 moved to below investment grade. Greece's credit rating was lowered by all three international credit rating agencies to selective default levels following the activation of collective action clauses in Greek government bonds subject to Greek law in late February 2012. Greece's sovereign ratings initially improved due to attainment of certain fiscal targets and the ongoing implementation of structural

reforms under the First Economic Adjustment Programme and Second Economic Adjustment Programme. In 2015, however, Greece's credit rating was downgraded mainly due to the uncertainty over whether the Greek government would reach an agreement with official creditors in time to meet upcoming repayments on marketable debt. The conclusion of the second review of the Third Economic Adjustment Programme led to the upgrade of the Greek sovereign rating by Moody's from Caa3 to Caa2 on 23 June 2017 and to a revision of its outlook to positive from stable. On 18 August 2017, Fitch Ratings upgraded Greece's sovereign rating to B from CCC, with a positive outlook, citing reduced political risk and sustained GDP growth. On 19 January 2018, Standard & Poor's revised Greek sovereign rating from B- to B citing improved growth and fiscal outlooks alongside a labour market recovering and amid a period of relative policy certainty. On 16 February 2018, Fitch upgraded the Greek sovereign rating from B- to B with a positive credit outlook and on 21 February 2018 Moody's also upgraded the Greek sovereign rating from Caa2 to B3, maintaining a positive outlook. Both rating agencies did so on the basis of improved fiscal conditions, on expectations of a prompt conclusion of the Third Economic Adjustment Programme in August 2018 as well as on the expectation of an agreement on further debt relief measures by the end of the programme.

As at the date of this Prospectus, Greece had been given a positive outlook on its rating by the international credit rating agencies, and its credit ratings are:

Standard & Poor's: "B"

Fitch: "B"

Moody's: "B3"

The Bank's long-term credit ratings are:

Standard & Poor's: "CCC+" (stable outlook)

Fitch: "RD"

Moody's: "Caa2 (stable outlook) ".

A downgrade of Greece's rating may occur in the event of a failure to implement the Third Economic Adjustment Programme or if the Third Economic Adjustment Programme fails to produce the intended results. Accordingly, the credit risk for Greece could increase further, with negative effects on the cost of risk and cost of funding for Greek banks and thereby on their results. Further downgrades of Greece's sovereign credit rating could also result in a corresponding downgrade in the Bank's credit rating.

Deteriorating asset valuations resulting from poor market conditions may adversely affect the Bank's business, financial condition, results of operations and prospects.

The global economic slowdown and the economic crisis in Greece since 2008 have resulted in an increase in past due loans and significant changes in the fair values of the Bank's financial assets. A substantial portion of the Group's loans to corporate and individual borrowers are secured by collateral such as real estate, securities, term deposits and receivables. In particular, as mortgage loans are one of the Group's principal assets (gross volume €16.7 billion as at 31 December 2017), the Group is currently highly exposed to developments in real estate markets, especially in Greece. From 2002 to 2007, demand for housing and mortgage financing in Greece increased significantly, driven by, among other things, economic growth, favourable expectations about the future prospects of the Greek economy, declining unemployment rates, demographic and social trends and historically low interest rates in the Eurozone. Based on Hellenic Statistical Authority data, construction activity has contracted sharply since 2009. Between the end of 2007 and the end of 2017, the cumulative decrease in gross fixed capital formation (in chain linked volumes) in total construction was 62 per cent. According to the latest available Bank of Greece data, housing prices began decreasing in 2009

and these decreases continued until the fourth quarter of 2017 due to further contraction of disposable income and high supply of houses available for sale. For the period between the fourth quarter of 2007 and the fourth quarter of 2017, apartment prices declined cumulatively by 41.5 per cent., according to the Bank of Greece.

Decreases in the value of collateral to levels lower than the outstanding principal balance of the corresponding loans, in particular with respect to loans granted in the years prior to the Greek economic crisis, an inability to provide additional collateral, a continued downturn of the Greek economy or a further deterioration of the financial conditions in any of the sectors in which the Bank's debtors conduct business may cause the Group to suffer further impairment losses and provisions to cover credit risk.

A decline in the value of the collateral securing the Group's loans may also result from a further deterioration of financial conditions in Greece or the other markets where the collateral is located, and may differ depending on the category of loan. In addition, the Bank's failure to recover the expected value of collateral in the case of foreclosure, or the Bank's inability to initiate foreclosure proceedings due to domestic legislation, may expose the Bank to losses that could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. Specifically, foreclosures initiated by credit institutions for satisfaction of claims against the primary residence of debtors who meet certain eligibility criteria have been forbidden since 1 July 2010, and such prohibition was expanded until 31 December 2014, pursuant to Law 4224/2013, while, as a result of the capital controls, enforcement actions were suspended through 31 October 2015. This or a similar prohibition may be enacted in future periods, and the private debt resolution mechanism to be proposed by a special governmental council established by virtue of Law 4224/2013 may restrict the Bank's ability to take enforcement measures against the Bank's debtors in future periods. See "*Regulation and Supervision of Banks in the Hellenic Republic—Restrictions on Enforcement of Granted Collateral*".

In addition, an increase in volatility in financial, property and other markets or adverse changes in the marketability of the Bank's assets could impair the Bank's ability to value certain of the Bank's assets and exposures. The value ultimately realised by the Bank will depend on their fair value determined at the time of their valuation and may be materially different from their current carrying or book value. Any decrease in the value of such assets and exposures could require the Bank to recognise additional impairment charges, which could adversely affect the Bank's business, financial condition, results of operations and prospects, as well as the Bank's capital adequacy, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Risks Relating to Volatility in the Global Financial Markets

The Group is vulnerable to the ongoing political disruptions and volatility in the global financial markets.

Following a lengthy period of recession in many economies around the world, including Europe, in the wake of the financial crisis, global economic growth has returned, although at a relatively modest pace and is uneven across countries. Most of the economies with which Greece has strong export links, including a number of European economies, continue to face high levels of private or public debt and elevated unemployment rates. Increasing downside risks on the back of a weaker external environment and heightened geopolitical risks may restrict the European economic recovery, which remains greatly dependent on accommodative monetary policy, with a corresponding adverse effect on the Group's business, results of operations and financial condition. Moreover, any material adverse effect on the financial and political resources of the EU as a result of the continuing Syrian war and the related refugee crisis, the relations with Turkey or the decision of the United Kingdom to leave the EU, could materially adversely affect the Greek State and the environment in which the Bank operates.

The Bank's results of operations, both in Greece and abroad, in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including: political and regulatory risks and the condition of public finances; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values; the availability and cost of funding; inflation; the stability and solvency of financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of any of the above factors.

On 23 June 2016 the United Kingdom held a referendum to decide on the United Kingdom's membership of the European Union. The United Kingdom vote was to leave the European Union. There are a number of uncertainties in connection with the future of the United Kingdom and its relationship with the European Union. In March 2017, the United Kingdom formally requested the start of negotiations to exit the European Union. The negotiation of the United Kingdom's exit terms will have to be completed, if no postponement is accepted, until March 2019. Until the terms of the United Kingdom's exit from the European Union are clearer, it is not possible to determine the impact that the United Kingdom's departure from the European Union and/or any related matters may have on the Bank and the Group including its ability to conduct business in the UK. As such, no assurance can be given that such matters would not adversely affect the ability of the Bank to satisfy its obligations under the Instruments and/or the market value and/or the liquidity of the Instruments in the secondary market.

The Bank is exposed to risks faced by other financial institutions that are the Bank's counterparties.

The Bank routinely transacts with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional clients. Sovereign credit pressures may weigh on other financial institutions, limiting their funding operations and weakening their capital adequacy by reducing the market value of their sovereign and other fixed income holdings. These liquidity concerns have adversely impacted, and may continue to adversely impact, inter**-**institutional financial transactions in general. Concerns about, or a default by, one financial institution could lead to significant liquidity problems and losses or defaults by other financial institutions, as the commercial and financial soundness of many financial institutions may be closely related as a result of credit, trading, clearing and other relationships. Many of the routine transactions into which the Bank enters exposes the Bank to significant credit risk in the event of default by one of the Bank's counterparties. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market**-**side liquidity pressures or losses or an inability of the Bank or other Group members to pay the debt. In addition, the Bank's credit risk may be exacerbated when the collateral the Bank holds cannot be enforced or is liquidated at prices not sufficient for the Bank to recover the full amount of the loan or derivative exposure. A default by a significant financial and credit counterparty, or liquidity problems in the financial services industry in general, could have a material adverse effect on the Bank's business, financial condition, results of operations, prospects and capital position.

Risks relating to the Bank's Business

The European Commission has the ability to exercise, and currently exercises, significant influence on the Bank.

Greece, as part of the Second Economic Adjustment Programme, made a series of commitments to the European Commission regarding the restructuring of Greek banks that have received state aid, including the appointment of a monitoring trustee, who acts on behalf of the European Commission and aims to ensure the compliance of each bank with the corporate governance provisions and to monitor the implementation of the Restructuring Plan. Amongst other powers, the Monitoring Trustee may attend meetings of the board of directors and the credit committees of the Bank as an observer, and monitors the development of the loan portfolio, the maximum amount that can be granted to borrowers, the transactions with related parties and other relevant matters. As a result, the Bank's

management's discretion is subject to further oversight and certain decisions may be constrained by powers accorded to the Monitoring Trustee.

The Hellenic Financial Stability Fund (HFSF) as shareholder has certain rights and may exercise significant influence over the Bank on certain material decisions and over the Bank's corporate governance framework.

Following the completion of the Bank's share capital increase in November 2015, fully covered by institutional and other investors, the percentage of the ordinary shares with voting rights held by the HFSF decreased from 35.41 per cent. to 2.38 per cent. Pursuant to Law 3864/2010 (the "HFSF Law") as in force, on 4 December 2015, the Bank and the HFSF entered into a relationship framework agreement replacing the previous one, that was signed on 26 August 2014, which determines the relationship between the Bank and the HFSF, including with respect to corporate governance matters (the "RFA").

For information on the HFSF Law, see "*Regulation and Supervision of Banks in the Hellenic Republic—Other Laws and Regulations Governing Banks in Greece*".

Under the terms of the RFA, the Bank also has the obligation to seek and obtain the prior written consent of the HFSF in relation to the Group's Risk and Capital strategy documents especially the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof and the Group's Strategy, Policy and Governance regarding the management of its arrears and non-performing loans and any amendment, extension, revision or deviation thereof. (For further details regarding the RFA, see "*Regulation and Supervision of Banks in the Hellenic Republic—Other Laws and Regulations Governing Banks in Greece*").

Consequently, although the HFSF has undertaken certain commitments pursuant to the RFA to respect the Bank's business autonomy and independence in the Bank's decision-making, there is a risk that the HFSF may exercise the rights it has to exert influence over the Bank and may disagree with certain decisions of the Bank and the Group, which may ultimately limit the operational flexibility of the Group.

The Group could be subject to a variety of risks as a result of implementing the Restructuring Plan.

The Restructuring Plan is based on macroeconomic assumptions in line with those provided by the HFSF and comprises a principal number of commitments to be implemented by 31 December 2018 (the "Commitments"), including, among others, the reduction of the Bank's net loan to deposit ratio for the Bank's Greek banking activities and the reduction of the Bank's portfolio of foreign assets. Additional Commitments relate to the Bank's credit policy and corporate governance, and include restrictions on, among others, the Bank's ability to make certain acquisitions.

In the context of the recapitalisation of the Bank in November 2015, the Restructuring Plan was revised and resubmitted for approval to the European Commission. On 26 November 2015, the European Commission approved the Bank's revised restructuring plan (the "Revised Restructuring Plan") as it concluded that the backstop provided by the HFSF as well as the Revised Restructuring Plan is in line with EU state aid rules.

The Revised Restructuring Plan is based on macroeconomic assumptions in line with those provided by the European Commission and the HFSF and comprises revisions to the Commitments undertaken by the Greek state under the Second Economic Adjustment Programme, to be implemented by 31 December 2018. The principal revisions to the Commitments include, among others, an extension of the timeframe within which the Bank is required to reduce the net loan to deposit ratio for its Greek banking activities.

Following the successful completion of the Bank's share capital increase in November 2015 and pursuant to the HFSF Law, as in force, on 4 December 2015, the Bank and the HFSF entered into the RFA replacing the previous one that was signed on 26 August 2014. The RFA regulates, among other topics, the implementation and monitoring of the Restructuring Plan, the Revised Restructuring Plan and its Commitments.

The implementation of the Commitments may have a material adverse effect on the Bank's business, operating results, financial condition and prospects, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Any inability on the Bank's part to comply with the terms of the Revised Restructuring Plan and any potential revisions thereto may result in the European Commission initiating a procedure to investigate the misuse of aid, which may result in the partial or entire recovery of state aid and/or the imposition of additional conditions, including limiting the Bank's ability to support the Bank's foreign subsidiaries or introducing additional limitations on the Bank's ability to hold and manage the Bank's securities portfolio, among other conditions, in line with previous requests to banks in the European Union that have received state aid. Moreover, the assumptions underlying the Revised Restructuring Plan, as may be revised, may prove inaccurate, making the objectives of the Revised Restructuring Plan and any potential revisions thereto more difficult to achieve.

Furthermore, if the European Commission decides that there has been a misuse of aid, the Hellenic Republic may be required to recover all or a portion of the state aid, which has been misused by returning all or a portion of the capital support that the Bank has received from the HFSF. In addition, material obligations of the Group that are set forth in the Revised Restructuring Plan or further its implementation would have been breached, and pursuant to article 7A, par. 4 of the HFSF Law, the HFSF would be entitled to exercise its voting rights deriving from the ordinary shares it owns from time to time without restrictions.

Market fluctuations and volatility may result in significant losses in the commercial and investment activities of the Group.

The Bank maintains positions in the Bank's trading and investment portfolio that relate to the debt, currency, equity and other markets. These positions could be adversely affected by continuing volatility in financial and other markets as well as the Greek sovereign debt crisis, increasing the probability of substantial losses. Declines in perceived or actual values of the Group's assets have resulted from previous market events.

Continuing volatility and further dislocation affecting certain financial markets and asset classes could further impact the Group's results of operations, financial condition and prospects. In the future, these factors could have an impact on the mark-to-market valuations of assets in the Group's available-for-sale and trading portfolios and financial assets and liabilities for which the fair value option has been elected. In addition, any further deterioration in the performance of the assets in the Group's investment securities portfolios could lead to additional impairment losses. Investment securities accounted for 13 per cent. and 19 per cent. of the Group's total assets as at 31 December 2017 and 31 December 2016, respectively.

Volatility can also lead to losses relating to a broad range of other trading securities and derivatives that the Bank holds, including swaps, futures, options and structured products. For further information on market risk exposures in those portfolios, see the section of this Prospectus entitled "*The Group is exposed to credit risk, market risk, liquidity risk, operational risk and litigation risk*".

The increase of past due loans may have a negative impact on the Group's operations in the future.

The Group is subject to credit risk, which is the risk that a borrower may not meet its payment or repayment obligations and its creditworthiness may deteriorate with detrimental consequences to the

Group. In general, the possible losses that the Bank could incur with respect to the exposure of the Group to credit risk (both on an individual and a portfolio level) may depend, in addition to the applicable regulations and legal framework, on various circumstances, including macroeconomic conditions, the performance of specific sectors of the economy, the deterioration of the competitive position of the Bank's borrowers, the downgrading of individual counterparties, the level of indebtedness of families, the performance of the real estate market and other circumstances that may have an impact on the creditworthiness of the Bank's counterparties and reduce the value of the collateral securing the loans. Adverse economic conditions could result in a further significant reduction of the value of security received by customers and/or the impossibility for customers to supplement the security received. A further deterioration in credit quality and the consequent significant increase of NPEs due to the borrowers' lower ability to meet their repayment obligations could result in adverse material effects on the Bank's results of operations, business and financial condition. In addition, the deterioration in credit quality could result in higher provisions for impaired loans, which could result in adverse material effects on the Bank's results of operations, business and financial condition, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Loans more than 90 days past due ("90DPD"), excluding operations in Romania which are classified as held for sale, represented 33.4 per cent. of the Bank's loans as at 31 December 2017, compared to 35.3 per cent. as at 31 December 2016. The Bank's consolidated NPE ratio, excluding operations in Romania which are classified as held for sale, decreased from 46 per cent. as at 31 December 2016 to 42.6 per cent. as at 31 December 2017. The effect of the economic crisis in Greece and adverse macroeconomic conditions in the countries in which Eurobank operates may result in further adverse effects on the credit quality of the Bank's borrowers, with increasing delinquencies and defaults. As at 31 December 2017, the Group had cumulative provisions for impairment losses on loans and advances to customers of €10,134 million (representing a 90DPD coverage ratio of 64.3 per cent.), a decrease of €1,322 million compared to €11,456 million as at 31 December 2016 and a decrease of €1,443 million compared to €11,577 million as at 31 December 2015 (in each case, excluding operations in Romania which are classified as held for sale). Any further deterioration in the credit quality of the Bank's loan portfolio, and any resulting increase in delinquencies and defaults, could lead the Bank to further increase the Bank's provision for impairment losses, which could have a material adverse effect on the Bank's capital position, financial condition and results of operations, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Volatility in interest rates may negatively affect the Bank's net interest income and have other adverse consequences.

Interest rates are highly sensitive to many factors beyond the Bank's control, including monetary policies and domestic and international economic and political conditions. Events in the future could alter the interest rate environment in Greece and the other markets in which the Group operates, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

As with any bank, changes in market interest rates may affect the interest rates Eurobank earn on its interest-earning assets differently than the interest rates Eurobank pay on its interest-bearing liabilities. This difference could reduce Eurobank's net interest income. Since the majority of Eurobank's loan portfolio effectively re-prices within a year, rising interest rates may also result in an increase in Eurobank's allowance for impairment on loans and advances to customers if customers cannot refinance in a higher interest rate environment. Further, an increase in interest rates may reduce Eurobank's clients' capacity to repay in the current economic circumstances.

Changes in consumer protection laws may limit the fees that the Group can charge in certain banking transactions.

Changes in consumer protection laws in Greece and other jurisdictions where the Group has operations could limit the fees that banks may charge for certain products and services such as mortgages, unsecured loans, credit cards and funds transfers and remittances. If introduced, such laws could reduce the Group's net income, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Laws regarding the bankruptcy of individuals and laws governing creditors' rights in Greece and various European countries may limit the Group's ability to receive payments on past due loans.

Laws regarding the bankruptcy of individuals and other laws and regulations governing creditors' rights generally vary significantly within the region in which the Group operates. If the current economic crisis persists or worsens, bankruptcies could intensify, or applicable bankruptcy protection laws and regulations may change to limit the impact of the recession on corporate and retail borrowers. Such changes may have an adverse effect on the Group's business, operating results and financial condition.

The Group's business is subject to increasingly complex regulation, which may increase the Bank's regulatory and capital requirements.

The Group is subject to financial services laws, regulations, administrative actions and policies in each jurisdiction in which it operates. All of these regulatory requirements are subject to change, particularly in the current market environment, where there have been unprecedented levels of government intervention and changes to the regulations governing financial institutions. In response to the global financial crisis, national governments as well as supranational groups, such as the EU, have been considering significant changes to current bank regulatory frameworks, including those pertaining to capital adequacy, liquidity and the scope of banks' operations, such as the CRD IV which was transposed in Greece pursuant to Law 4261/2014 in May 2014, and the CRR (see "*Regulation and Supervision of Banks in the Hellenic Republic*"). Under the CRD IV, the minimum CET1 capital ratio is now 4.5 per cent., the minimum Tier 1 capital ratio is now 6 per cent., and banks are required to gradually increase their capital conservation buffer to 2.5 per cent by 2019 beyond existing minimum equity (i.e. 0.625 per cent. as at 1 January 2016, 1.25 per cent. as at 1 January 2017 and 1.875 per cent. as at 1 January 2018), raising the minimum CET1 capital ratio to 7 per cent. and the total capital ratio to 10.5 per cent. in 2019. These and any future changes to capital adequacy and liquidity requirements in Greece and the other countries in which the Group operates may require the Group to increase its Tier 1 and Tier 2 capital by way of further issues of securities, and could result in existing Tier 1 and Tier 2 securities issued by the Group ceasing to count towards its regulatory capital, either at the same level as at present or at all. As a result of these and other ongoing and possible future changes in the financial services regulatory framework (including requirements imposed by virtue of the Bank's participation in any government or regulator-led initiatives, such as the Hellenic Republic Bank Support Plan), Eurobank may face stricter regulation, and compliance with such regulations may increase Eurobank's capital requirements and costs. Current and future regulatory requirements may be different across jurisdictions, and even requirements with EEA-wide application may be implemented or applied differently in different jurisdictions.

Compliance with these new requirements may increase the Bank's regulatory capital and liquidity requirements and costs and the Bank's disclosure requirements, restrict certain types of transactions, affect the Bank's strategy and limit or require the modification of rates or fees that the Bank charges on certain loans and other products, any of which could lower the return on the Group's investments, assets and equity, and in turn adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner. The Bank may also face increased compliance costs and limitations on the Bank's ability to pursue certain business opportunities. The new regulatory framework may have significant scope and may have indirect consequences for the global financial system, the Greek financial system or the Bank's business, including increasing competition,

increasing general uncertainty in the markets or favouring or disfavouring certain lines of business. The Bank cannot predict the effect of any such changes on its business, financial condition, results of operations and prospects.

The requirements of the deposit guarantee schemes applicable throughout the European Union may result in additional costs to the Group.

Directive 2014/49/EU on deposit guarantee schemes (the "DGS") entered into force in May 2014 (the "DGSD") recasting the Directive 94/19/EC and introducing new harmonised rules on DGS applicable throughout the European Union. Amongst other things, the DGSD preserves the harmonised coverage level of €100,000 per depositor, which will continue to be offered in the form of repayment in the case of a bank's liquidation where deposits would become unavailable. It also reconfirms the fundamental principle underpinning DGS, namely that it is banks that finance DGS and not the taxpayers. In addition, for the first time since the introduction of DGS in 1994, there are legislative financing requirements for DGS. In principle, the target level for *ex ante* funds of the DGS is 0.8 per cent. of covered deposits to be paid by member banks (in the case of highly concentrated banking sectors, the European Commission may authorise a Member State to set a lower target level for its DGS, but this may not be lower than 0.5 per cent. of covered deposits). A maximum of 30 per cent. of the funding can be made up of payment commitments. The target fund level must be reached within a 10-year period (which can be extended by 4 years if there is a substantial cumulative disbursement of amounts under DGS during the phasing-in period). In the case of insufficient *ex ante* funds, DGS will collect *ex post* contributions from the banking sector, and, if necessary, as a last resort, alternative funding arrangements such as loans from public or private third parties are permitted. There will also be a voluntary scheme facilitating mutual borrowing between DGS from different EU countries.

In addition, the DGSD introduced a requirement for contributions to be risk-based, while Article 13 thereof lays down a number of criteria for the calculation of contributions to DGS, notably that:

- contributions are compulsorily based on the amount of covered deposits and the risk profile of each member institution;
- DGS are allowed to develop and use their own calculation methods in order to tailor contributions to market circumstances and risk profiles; and
- Member States may provide for lower contributions from institutional protection scheme members and low-risk sectors regulated under national law.

To ensure consistent application of the DGSD across Member States, the European Banking Authority on 28 May 2015 adopted detailed guidelines to specify methods for calculating contributions to DGS in accordance with the above Article 13 of the DGSD, which are binding on the Member States DGS.

In line with Article 10(1) of the DGSD, DGS will have to collect contributions at least annually beginning on 3 July 2015 (the deadline for transposing the DGSD). From this date, pursuant to Article 13 of the DGSD, contributions will have to be risk-based, unless the appropriate authorities of a Member State have established that a DGS is not yet in a position to comply with Article 14 of the DGSD, in which case the risk-based requirement can be deferred, but no later than 31 May 2016.

The DGSD has already been transposed into the national legislation of Bulgaria, Romania, Luxembourg and Cyprus where the Group has activities. In Greece, the DGSD was transposed into Greek law by Law 4370/2016, which came into force on 7 March 2016 and repealed the previously applicable Law 3746/2009, defining, among others, the scope and certain aspects of the operation of the Hellenic Deposit and Investment Guarantee Funds ("HDIGF"), the terms of participation of credit institutions as well as the process for determining and paying contributions to its schemes (see

"*Regulation and Supervision of Banks in the Hellenic Republic-Deposit and Investment Guarantee Fund*").

The Group may be required to increase the Group's contributions in the relevant DGS, which in turn may adversely affect the Group's operating results and the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The new framework on bank recovery and resolution may adversely affect the composition of the Bank's Board of Directors and management team and the Bank's financial condition, results of operations and prospects.

The BRRD entered into force on 2 July 2014 with the aim of safeguarding financial stability and minimising taxpayers' contributions to bail-outs or exposures relating to credit institutions and investment firms considered to be at risk of failing. The BRRD was transposed into Greek law pursuant to Law 4335/2015 which came into force on 23 July 2015, except for the bail-in tool. The bail-in tool became effective on 1 November 2015 following the amendment of Law 4335/2015 by Greek law 4340/2015, except for certain provisions relating to certain eligible liabilities and the loss absorption requirement for the implementation of government financial stabilisation tools, which became effective as of 1 January 2016 (see "*Regulation and Supervision of Banks in the Hellenic Republic—Recovery and Resolution of Credit Institutions*").

The BRRD, as transposed into Greek law, provides for either the recovery or the resolution of credit institutions facing financial difficulties. Under this new regime, the national competent authority for credit institutions and the resolution authority are equipped with tools and powers to handle crises at the earliest possible moment. These tools and powers include preparatory and preventative measures as well as early intervention measures (including, as the case may be, the removal or replacement of senior management or members of the board of directors of the credit institution concerned) to address emerging problems at an early stage. In the event that such measures prove to be insufficient and the financial situation of the credit institution concerned has significantly deteriorated or the credit institution has seriously infringed certain laws and/or regulations, the ECB may require the removal of senior management or the management body of the credit institution concerned, in its entirety or with regard to certain individuals, and the appointment of new senior management and a new management body subject to the approval of the ECB, or it may even appoint one or more temporary administrators to such institution.

Where a credit institution fails or is likely to fail and there is no reasonable prospect that any alternative solution would prevent such failure, Law 4335/2015 empowers the resolution authority to take resolution action, provided that this is necessary in the public interest, which is intended to ensure the continuity of the credit institution's critical services and manage its failure in an orderly fashion. The resolution powers and tools available to the resolution authority comprise the asset separation tool, the bridge institution tool, the sale of business tool and the bail-in tool. In addition, in the event of an extreme systemic crisis, extraordinary public financial support may be provided, in accordance with article 56 of Law 4335/2015, for the purpose of participating in the resolution of an institution with a view to meeting the objectives for resolution and preventing its liquidation. However, the provision of extraordinary public financial support shall be used as a last resort after having assessed and exploited the resolution tools, including the bail-in tool, to the maximum extent practicable whilst maintaining financial stability.

Under the BRRD, European banks will be required to maintain certain types of financial resources in order to meet the Minimum Requirement for own funds and Eligible Liabilities ("MREL"). These resources should be eligible to absorb losses or recapitalize the Bank in resolution without recourse to taxpayers' money. The level of MREL will be bank specific and will be determined by the Resolution Authority based on various characteristics of each credit institution. The Resolution Authority has neither determined a binding MREL level for the Bank yet, nor a timeline for compliance with a particular MREL level.

In view of establishing a single resolution process in the EU, the Single Resolution Fund ("SRF") has been created to provide funding support for the resolution of banks and will be financed by bank levies raised at a national level (see "*Regulation and Supervision of Banks in the Hellenic Republic—Single Resolution Mechanism*"). The SRF would reach a target level of at least 1 per cent. of covered deposits of all credit institutions in Member States participating in the Banking Union over an eight-year period. During this transitional period, the SRF would comprise national compartments corresponding to each participating Member State. The resources accumulated in those compartments will be progressively mutualised over a period of eight years. The European Council has adopted an implementing act to calculate the contributions of banks to the SRF and an implementing regulation specifying uniform conditions of application of the SRM Regulation with regard to *ex ante* contributions to the SRF. In Greece, the scope and certain aspects of the operation of the HDIGF, the terms of participation of credit institutions, as well as the process for determining and paying contributions to its schemes are specified in Law 4370/2016 (see above).

The BRRD framework may materially and adversely affect the composition of the Bank's Board of Directors and management team, the Bank's financial condition, results of operations, prospects and credit ratings. For a description of the BRRD framework see "*Regulation and Supervision of Banks in the Hellenic Republic—Recovery and Resolution of Credit Institutions*".

The Group conducts significant international activities outside of Greece and as a result, the Group is exposed to political instability and other risks in these countries.

In addition to the Bank's operations in Greece, Eurobank has substantial operations in Bulgaria, Serbia, Cyprus and Luxembourg. Excluding operations in Romania which are classified as held for sale, the Group's international operations, accounted for 14 per cent. of its gross loans as at 31 December 2017 (compared to 12 per cent. as at 31 December 2016) and 22 per cent. of its net interest income for the year ended 31 December 2017 (same as for the year ended 31 December 2016). The Bank's international operations are exposed to the risk of adverse political, governmental or economic developments in the countries in which Eurobank operates. Furthermore, the majority of the countries outside Greece where the Group conducts business are "emerging economies" in which the Group faces particular financial and operational risks. These factors could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. The Bank's international operations also expose Eurobank to foreign currency risk. A decline in the value of the currencies in which the Bank's international subsidiaries receive their income or value their assets relative to the value of the euro may have an adverse effect on the Bank's results of operations and financial condition.

If the Group's reputation is damaged, this would affect its image and customer relations, which could adversely affect the Bank's business, financial condition, results of operation and prospects.

Reputational risk is inherent to the Group's business activity. Negative public opinion towards the Group or the financial services sector as a whole could result from real or perceived practices in the banking sector in general, such as money laundering, negligence during the provision of financial products or services, or even from the way that the Group conducts, or is perceived to conduct, its business. Negative publicity and negative public opinion could adversely affect the Group's ability to maintain and attract customers, in particular, institutional and retail depositors, which could adversely affect the Group's business, financial condition, results of operations and prospects and, in an extreme case, could lead to an accelerated outflow of funds from customer deposits which could result in the Bank or another member of the Group being unable to continue operating without additional funding support, which it may not be able to secure.

The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgments and estimates that may change over time or may not be accurate.

In establishing the fair value of certain financial instruments, the Group relies on quoted market prices in an active market or, where the market for a financial instrument is not sufficiently active, fair value is determined based on other valuation techniques that include the use of valuation models which utilise observable financial market data and minimise unobservable inputs. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in financial market conditions. In such circumstances, the Group's internal valuation models in order to establish fair value, require the Group to make assumptions, judgments and estimates depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. These internal valuation models are complex, and the assumptions, judgments and estimates the Group is required to make often relate to matters that are inherently uncertain, such as areas of credit risk, volatilities and correlations. Such assumptions, judgments and estimates may need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments could have a material adverse effect on the Group's earnings and financial condition. In addition, market volatility and illiquidity has challenged the factual bases of certain underlying assumptions and has made it difficult to value certain of the Group's financial instruments. Valuations in future periods, reflecting prevailing market conditions, may result in changes in the fair values of these instruments, which could have a material adverse effect on the Group's financial condition, results of operations and prospects and in turn may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The Group is exposed to credit risk, market risk, liquidity risk, operational risk and litigation risk.

As a result of the Group's activities, the Group is exposed to a variety of risks. Among the most significant of these risks are credit, market, liquidity and operational. The Group's failure to effectively manage these risks could have a material adverse effect on the Group's business, financial condition, results of operation and prospects, which may adversely affect the Group's business, financial condition, results of operations and prospects.

Credit Risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to fulfil its payment obligations. Impairment provisions are recognised as losses incurred at the balance sheet date. Significant changes in the economy or in the state of a particular sector of activity forming an important part of the Group's portfolio may lead to losses differing from those recognised on the balance sheet date.

Market Risk

The Group is exposed to market risks. Market risks are created by open positions in interest rate products, products based on exchange rates or shares, or a combination thereof, which are affected by general and specific market fluctuations. More specifically, the market risks to which the Group is exposed are as follows:

(a) Interest rate risk

The Group is exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

(b) Currency risk

The Group's financial position and cash flows are exposed to risk from the effects of fluctuations in the prevailing foreign currency exchange rates in relation to the reference currency (EUR).

(c) Equity risk

Equity price risk is the risk of decrease in fair values as a result of changes in equity indices and the value of individual stocks. The exposure to fluctuations in equity prices that the Group undertakes arises mainly from the investment portfolio.

Liquidity Risk

The Group is continuously exposed to liquidity risks due to deposit withdrawals, maturity of medium- or long-term notes, loan drawdowns and guarantees. Furthermore, changes in secured funding transactions (repo-type agreements with the market), secured funding facilities with central banks and risk mitigation contracts involving provisions of collateral in the form of cash (CSAs, GMRAs) result in variations in the levels of liquidity that the Group holds at any point in time.

Since 2011 and as a result of the Greek debt crisis, Greek banks had to rely on the ECB and the Bank of Greece for a significant part of their funding requirements. As at 31 December 2017, the financing received by the ECB and the Bank of Greece, net of related costs, amounted to €10 billion, compared to €13.9 billion as at 31 December 2016.

Continuing volatility as a result of market forces that are beyond the Group's control may lead to a deterioration of the Group's liquidity position. Such deterioration would increase both the funding requirement from the ECB and Bank of Greece and the cost of funding, thus affecting the Group's capital generating capacity and capital ratios, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Operational Risk

Operational risk is the risk of loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. The events associated to internal processes include, but are not limited to, fraud and mistakes by employees, clerical and record-keeping errors and information system malfunctions or manipulations. External events include floods, fires, earthquakes, civil unrest or terrorist attacks, fraud by outsiders and equipment failures. Finally, Eurobank may also fail to comply with regulatory requirements or conduct of business rules.

Litigation Risk

In the context of Bank's daily activities, it cannot be excluded the possibility that legal risks may arise from a variety of reasons, including different approaches on legal issues adopted by jurisprudence, or legislative provisions regulating already established legal relationships.

The Bank however, conducts its operations pursuant to applicable laws and takes all necessary measures to comply with legislative framework. Regarding legal proceedings see "*Eurobank Ergasias S.A. - Legal Matters*", below.

The Bank is exposed to the risk of fraud and illegal activities.

Like all financial institutions, Eurobank is exposed to risks of fraud and other illegal activities, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects. Although Eurobank believes that it has effective policies designed to prevent fraud, the Group's risk management procedures may not be able to eliminate all cases of fraud.

The Group is also subject to rules and regulations related to money laundering and terrorism financing. Compliance with anti-money laundering and anti-terrorist financing rules entails significant cost and effort. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. Although Eurobank believes that its current anti-money laundering and anti-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, Eurobank may not be able to comply at all times with all rules applicable to money laundering and terrorism financing as extended to the whole Group and applied to the Bank's workers in all circumstances. A violation, or even any suspicion of a violation, of these rules may have serious legal and financial consequences, which could have a material adverse effect on the Bank's business, reputation, financial condition, results of operations and prospects.

The Bank's economic hedging may not prevent losses.

If any of the variety of instruments and strategies that Eurobank uses to economically hedge the Bank's exposure to market risk is not effective, Eurobank may incur losses. Many of the Bank's strategies are based on historical trading patterns and correlations. Unexpected market developments therefore may adversely affect the effectiveness of the Bank's hedging strategies. Moreover, Eurobank does not economically hedge all of the Bank's risk exposure in all market environments or against all types of risk. The Group is exposed to several types of risk including, but not limited to, counterparty risk, which is taken into consideration in the valuation of the fair values of the various items, or currency risk from the Bank's participations in certain non-Eurozone foreign subsidiaries, where currency derivatives against local currencies may be unavailable. These risks are described in detail in "*The Bank is exposed to credit risk, market risk, liquidity risk, operational risk and litigation risk—Credit Risk*" and "*The Bank is exposed to credit risk, market risk, liquidity risk, operational risk and litigation risk—Market Risk*". Even when Eurobank is able to hedge certain of the Bank's risk exposures, the methodology by which certain risks are economically hedged may not qualify for hedge accounting, in which case, changes in the fair value of such instruments are recognised immediately in the income statement, which may result in additional volatility in the Group's income statement.

Transactions in the Bank's portfolio involve risks.

The Bank carries out various proprietary activities, such as trading in primary and secondary markets for government/corporate securities or interest rate futures. The management of the Bank's portfolio includes taking positions in fixed income via cash and derivative products and other financial instruments. Trading on account of the Bank's portfolio carries risks, since the Bank's results from proprietary trading depend on market conditions. Moreover, the Bank relies on a vast range of reporting and internal management tools in order for its management to be able to report its exposure in such transactions correctly and in due time. Eurobank may incur losses from proprietary trading, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects and in turn may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The Bank's loan portfolio in Greece may continue to contract.

In the current recessionary economic environment, the Group's loan portfolio in Greece may continue to contract, and the Group's loan portfolio outside of Greece may not grow at historic rates or may even contract. Furthermore, the number of high credit quality customers in the markets that the Group targets is limited. Developments in the Bank's loan portfolio will be affected mainly by, among other factors, the health of the Greek economy and the successful implementation of the Third Economic Adjustment Programme. Continued contraction of the Bank's loan portfolio, in combination

with past due loans, may limit the Bank's net interest income, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects and in turn may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

The Group's operational systems and networks have been, and will continue to be, exposed to an increasing risk of continually evolving cybersecurity or other technological threats, which could result in the disclosure of confidential customer or corporate information, put at risk the Group's reputation, increase costs to the Group, or even cause regulatory penalties and financial or other claims.

Certain of the Group's operations, including those outsourced to third parties, rely on the secure processing, storage and transmission of confidential and other information. The Group stores an extensive amount of personal and other customer-specific information for its retail, corporate and governmental customers and must accurately and securely record, process and reflect their extensive account transactions. The proper functioning of the Bank's payment systems, financial and sanctions controls, risk management, credit analysis and reporting, accounting, customer service and other information technology systems, as well as the communication networks between its branches and main data processing centres, are critical to the Bank's operations. These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks. The Group's computer systems, software and networks have been and will continue to be exposed to technological failure or cyber-threats including, but not limited to, unauthorised access, intentional or inadvertent loss or destruction of data (including confidential customer information), denial of service, computer viruses or other malicious code and other events. If one or more of these events occurs, it could result in the disclosure of confidential customer or corporate information, disruptions or malfunctions in the operations of the Group, its customers or other third parties, putting at risk the Group's reputation with its customers and the market, and even causing regulatory penalties and financial claims, against both the Group and its customers. While the Group maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber risks effects such as fraud and financial crime, such insurance coverage may have limitations in covering all losses, which may adversely affect the Bank's ability to pay interest and principal on the Instruments in full and in a timely manner.

Additional taxes may be imposed on the Group

Law 4334/2015 imposed an increase in the corporate income tax rate for legal entities from 26 per cent. to 29 per cent. for fiscal years 2015 and onwards. In addition, in the event that the Greek state does not achieve the fiscal adjustment targets under the Third Economic Adjustment Programme, the above tax rate may be further increased and additional taxes, contributions and levies may be imposed on companies established and operating in Greece, which may adversely affect the Bank and its Greek subsidiaries.

Additional taxes and penalties may be imposed on Group companies with respect to unaudited tax years, subject to the statute of limitation applicable to each entity based on local tax legislation. Any additional taxes imposed on the Bank in the future, or any increases in tax rates, may have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

For the years ended 31 December 2011 to 31 December 2016, Group entities in Greece have obtained an "unqualified" annual tax certificate from external auditors, while for 2017 the tax audit from external auditors is in progress.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may in principle be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within which the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the taxpaying company.

Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme

Each of the risks highlighted below could adversely affect the trading price of any Instruments or the rights of investors under any Instruments and, as a result, investors could lose some or all of their investment.

Instruments may not be a suitable investment for all investors

Each potential investor in any Instruments must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Instruments, the merits and risks of investing in the relevant Instruments and the information contained or incorporated by reference in this Prospectus, the applicable Final Terms or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Instruments and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Instruments, including where principal or interest is payable in one or more currencies or where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;

(iv) understand thoroughly the terms of the relevant Instruments and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In addition, an investment in any Exempt Instruments that are Reference Item Linked Instruments may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in "Risks related to the structure of a particular issue of Instruments" set out below.

Some Instruments are complex financial instruments and such Instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Instruments which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how such Instruments will perform under changing conditions, the resulting effects on the value of such Instruments and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Instruments

A wide range of Instruments may be issued under the Programme. A number of these Instruments may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Instruments subject to optional or mandatory redemption by the relevant Issuer

At any time upon the occurrence of:

- a change in tax law pursuant to Condition 7.2, including where such change in tax law (whether as a result of the implementation of the multilateral instrument in Greece or otherwise) causes an Issuer or, in the case of certain Instruments issued by ERB Hellas PLC, the Guarantor to be required to make a withholding or deduction for or on account of any present or future tax; or

- (in the case of Subordinated Instruments only), if applicable, a Capital Disqualification Event pursuant to Condition 7.3; or

- on a Call Option Date pursuant to Condition 7.4,

the Instruments may be redeemed (if applicable) at the option of the relevant Issuer at the relevant redemption amount, as more particularly described in the Conditions. Such an optional redemption feature is likely to limit the market value of Instruments. During any period when the relevant Issuer may elect to redeem Instruments, or during any period when it is perceived that the relevant Issuer may elect to redeem Instruments, the market value of those Instruments generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In respect of Instruments which are conventional debt securities, the relevant Issuer may redeem such Instruments when its cost of borrowing is lower than the interest rate on the Instruments. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Instruments being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In the event that the relevant Issuer determines that the performance of the relevant Issuer's obligations under any Instruments or (if applicable) the Guarantor's obligations in respect thereof under the Deed of Guarantee has or will become unlawful, illegal, or otherwise prohibited in whole or in part, the relevant Issuer may redeem all (but not some only) of such Instruments, each Instrument being redeemed at the Early Termination Amount specified in the applicable Pricing Supplement, together, if appropriate, with accrued interest.

If Autocall is specified as applying in the applicable Pricing Supplement and an Autocall Event (as set out in the applicable Pricing Supplement) occurs, the relevant Issuer will redeem all (but not some only) of the Exempt Instruments, each Exempt Instrument being redeemed at the Autocall Redemption Amount specified in the applicable Pricing Supplement.

Reference Item Linked Instruments

Each Issuer may issue Exempt Instruments ("Reference Item Linked Instruments", such term to include, but not be limited to, Dual Currency Instruments, Index Linked Instruments and Equity Linked Instruments) with principal and/or interest determined by reference to an underlying comprising one or more equity securities, indices, debt securities, commodities, interest rates, currency exchange rates or other item(s) (each a "Reference Item"). Potential investors should be aware that:

(i) the market price of such Exempt Instruments may be volatile;

(ii) they may receive no interest;

(iii) payment of principal or interest may occur at a different time or in a different currency than expected;

(iv) the amount of principal payable at redemption may be less than the nominal amount of such Exempt Instruments or even zero;

(v) a Reference Item may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(vi) if a Reference Item is applied to Exempt Instruments in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Reference Item on principal or interest payable is likely to be magnified; and

(vii) the timing of changes in a Reference Item may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Reference Item, the greater the effect on yield.

Reference Item Linked Instruments may involve a high degree of risk.

Prospective investors in Reference Item Linked Instruments should understand the risks of transactions involving Reference Item Linked Instruments and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Reference Item Linked Instruments in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item Linked Instruments and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item Linked Instruments may relate, as specified in the applicable Pricing Supplement.

As the amount of interest payable periodically and/or the Maturity Redemption Amount payable at maturity may be linked to the performance of the Reference Item(s), an investor in a Reference Item Linked Instrument must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Reference Item(s).

Where the applicable Pricing Supplement specifies one or more Reference Item(s), the relevant Reference Item Linked Instruments will represent an investment linked to the economic performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in Reference Item Linked Instruments will depend upon the performance of such Reference Item(s). Potential investors should also note that whilst the market value of such Reference Item Linked Instruments is linked to such Reference Item(s) and will be influenced (positively or negatively) by such Reference Item(s), any change may not be comparable and may be disproportionate. It is impossible to predict how the level of the Reference Item(s) will vary over time. In contrast to a direct investment in the Reference Item(s), Reference Item Linked Instruments represent the right to receive payment of the relevant Maturity Redemption Amount on the relevant Maturity Date as well as periodic payments of interest (if specified in the applicable Pricing Supplement), all or some of which may be determined by reference to the performance of the Reference Item(s). The applicable Pricing Supplement will set out the provisions for the determination of the Maturity Redemption Amount and of any periodic interest payments.

PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT THE REFERENCE ITEM(S) ARE AND TO SEE HOW BOTH THE MATURITY REDEMPTION AMOUNT AND ANY PERIODIC INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE, BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM LINKED INSTRUMENTS.

Fluctuations in the value and/or volatility of the Reference Item(s) may affect the value of the relevant Reference Item Linked Instruments. Investors in Reference Item Linked Instruments may risk losing their entire investment if the value(s) of the Reference Item(s) does/do not move in the anticipated direction.

There is no return on Reference Item Linked Instruments other than the potential payment of the Maturity Redemption Amount on maturity and payment of any periodic interest payments.

Other factors which may influence the market value of Reference Item Linked Instruments include interest rates, potential dividend or interest payments (as applicable) in respect of the Reference Item(s), changes in the method of calculating the level of the Reference Item(s) from time to time and market expectations regarding the future performance of the Reference Item(s), its constituents and such Reference Item Linked Instruments.

If any of the Reference Item(s) is an index, the value of such Reference Item on any day will reflect the value of its constituents on such day. Changes in the composition of such Reference Item and factors (including those described above) which either affect or may affect the value of the constituents, will affect the value of such Reference Item and therefore may affect the return on an investment in the relevant Reference Item Linked Instruments.

An Issuer may issue several issues of Reference Item Linked Instruments relating to particular Reference Item(s). However, no assurance can be given that any Issuer will issue any Reference Item Linked Instruments other than the Reference Item Linked Instruments to which the applicable Pricing Supplement relates. At any given time, the number of Reference Item Linked Instruments outstanding may be substantial. Reference Item Linked Instruments provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Item(s) to which such Reference Item Linked Instruments relate.

If any of the Reference Item(s) is an equity security or a basket of equity securities, an investment in the relevant Reference Item Linked Instruments may bear similar market risks to a direct equity investment and investors should take advice accordingly.

PROSPECTIVE PURCHASERS OF REFERENCE ITEM LINKED INSTRUMENTS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT PROVISIONS AS DESCRIBED HEREIN ARE RELEVANT IN RELATION TO SUCH EXEMPT INSTRUMENTS AND HOW SUCH PROVISIONS APPLY.

Dual Currency Instruments

Dual Currency Instruments may be redeemable by payment of either the par value amount or an amount determined by reference to the value of the Reference Item(s), which may be less than the par value amount. Interest payable on Dual Currency Instruments may be calculated by reference to the value of one or more Reference Item(s).

Equity Linked Instruments

Each Issuer may issue Exempt Instruments where the amount of principal ("Equity Linked Redemption Instruments") and/or interest ("Equity Linked Interest Instruments") payable is dependent upon the price of or changes in the price of an equity security or a basket of equity securities (together, "Equity Linked Instruments").

Potential investors in any such Exempt Instruments should be aware that, depending on the terms of the Equity Linked Instruments (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, movements in the price of the equity security or basket of equity securities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or any relevant indices and the timing of changes in the relevant price of the equity security or equity securities may affect the actual yield to investors, even if the

average level is consistent with their expectations. In general, the earlier the change in the price of the equity security or equity securities, the greater the effect on yield.

If a Disrupted Day (being a day on which a relevant Exchange or Related Exchange fails to open or on which a Market Disruption Event occurs) occurs, this may have an effect on the timing of valuation and consequently the value of the Exempt Instruments and/or may delay (i) any applicable interest payments, in the case of Equity Linked Interest Instruments, or (ii) settlement, in the case of Equity Linked Redemption Instruments. Prospective purchasers should review the Terms and Conditions of the Exempt Instruments and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Exempt Instruments.

If Potential Adjustment Events and/or De-listing, Merger Event, Nationalisation and Insolvency and/or Tender Offer is/are specified as applying in the applicable Pricing Supplement, the Exempt Instruments may be subject to adjustment, including, if applicable, the substitution of the Underlying Equity or Underlying Equities or, in the case of the occurrence of a De-listing, Merger Event, Nationalisation or Insolvency and/or Tender Offer, may be redeemed as further provided in Condition 9.2.

In respect of Equity Linked Instruments relating to an equity security or equity securities originally quoted, listed and/or dealt as of the relevant Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended, if such equity security or equity securities is/are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, prospective purchasers should note that the Calculation Agent will adjust any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of the Terms and Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Exempt Instruments. Prospective purchasers should also note that the Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the relevant Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the relevant Valuation Time.

The market price of such Exempt Instruments may be volatile and may be affected by the time remaining to the redemption date, the volatility of the equity security or equity securities, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant equity security or equity securities as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such securities may be traded.

Index Linked Instruments

Each Issuer may issue Exempt Instruments where the amount of principal ("Index Linked Redemption Instruments") and/or interest ("Index Linked Interest Instruments") payable is dependent upon the level, or changes in the level, of an index or a basket of indices (together, "Index Linked Instruments").

Potential investors in any such Exempt Instruments should be aware that, depending on the terms of the Index Linked Instruments (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the index or basket of indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their

expectations. In general, the earlier the change in the level of an index or result of a formula, the greater the effect on yield.

If a Disrupted Day (being a day on which either a relevant Exchange or Related Exchange fails to open or the relevant index level is not published or on which a Market Disruption Event occurs) occurs, this may have an effect on the timing of valuation and consequently the value of the Exempt Instruments and/or may delay (i) any applicable interest payments, in the case of Index Linked Interest Instruments, or (ii) settlement, in the case of Index Linked Redemption Instruments. Prospective purchasers should review the Terms and Conditions of the Exempt Instruments and the applicable Pricing Supplement to ascertain how such provisions apply to the Exempt Instruments.

If an Index Adjustment Event (as defined in the "Terms and Conditions of the Instruments" and relating to a relevant index modification, cancellation or disruption) occurs, the relevant Issuer may either require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Exempt Instruments and if so, to calculate the Reference Price as further provided in Condition 8.2(ii)(A), may require the Calculation Agent to substitute the relevant Index with a replacement index using the same or a substantially similar method of calculation as used in the calculation of the relevant Index or the relevant Issuer may elect to redeem all (but not some only) of the Exempt Instruments, each Calculation Amount being redeemed at the Early Termination Amount.

The market price of such Exempt Instruments may be volatile and may be affected by the time remaining to the redemption date and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

Additional Disruption Events (Index Linked Instruments and Equity Linked Instruments only)

If Additional Disruption Events are specified as applying in the applicable Pricing Supplement and any such event as specified occurs, the Exempt Instruments will be subject to adjustment or may be redeemed, each Calculation Amount being redeemed at the Early Termination Amount specified in the applicable Pricing Supplement. Prospective investors must review the "Terms and Conditions of the Instruments" and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Exempt Instruments.

Partly Paid Instruments

In the case of Exempt Instruments only, each Issuer may issue Exempt Instruments where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Instruments with a multiplier or other leverage factor

Instruments with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Instruments

Inverse Floating Rate Instruments have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Instruments typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Instruments are more volatile because an increase in the reference rate not only decreases the interest rate of the Instruments, but

may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Instruments.

Reset Rate Instruments

Reset Rate Instruments will initially bear interest at the relevant Initial Rate of Interest until (but excluding) the relevant First Reset Date. On the relevant First Reset Date, the relevant Second Reset Date (if applicable) and each relevant Subsequent Reset Date (if any) thereafter, the Interest Rate will be reset to the sum of the relevant Mid-Swap Rate and the Relevant Reset Margin as determined by the relevant Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "Subsequent Rate of Interest"). The Subsequent Reset Rate of Interest for any Reset Period could be less than the relevant Initial Rate of Interest or the relevant Subsequent Reset Rate of Interest for prior Reset Period and could affect the market value of an investment in the relevant Reset Rate Instruments.

Fixed/Floating Rate Instruments

Fixed/Floating Rate Instruments will bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Instruments as the change of interest basis may result in a lower interest return for Holders. Where the Instruments convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Instruments may be less favourable than then prevailing spreads on comparable Floating Rate Instruments tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Instruments. Where the Instruments convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Instruments and could affect the market value of an investment in the relevant Instruments.

Instruments issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The regulation and reform of "benchmarks" may adversely affect the value of Instruments linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (such as, in the case of Floating Rate Instruments, a Reference Rate or, in the case of Reset Rate Instruments, a Mid-Swap Floating Leg Benchmark Rate) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Instruments linked to or referencing such a "benchmark". The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and has applied since 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Instruments linked to or referencing a "benchmark", in particular, if the methodology or other terms of the relevant "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Instruments linked to or referencing a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Instruments linked to or referencing a "benchmark".

Future discontinuance of certain benchmark rates (for example, LIBOR or EURIBOR) may adversely affect the value of Floating Rate Instruments and/or Reset Rate Instruments which are linked to or which reference any such benchmark rate

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Floating Rate Instruments and Reset Rate Instruments which are linked to or which reference such benchmark rate will be determined for the relevant period by the fall-back provisions applicable to such Instruments. The Terms and Conditions provide for certain fallback arrangements in the event that a published benchmark, such as LIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable.

If the circumstances described in the preceding paragraph occur and (i) in the case of Floating Rate Instruments, Reference Rate Replacement is specified in the applicable Final Terms as being applicable or (ii) in the case of Reset Rate Instruments, Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the applicable Final Terms as being applicable (any such Instruments "Relevant Instruments"), such fallback arrangements will include the possibility that:

(A) the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable) determined by an Independent Advisor or, if the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the Issuer fails to make such determination, the Issuer; and

(B) such successor rate or alternative rate (as applicable) may be adjusted (if required) by the relevant Independent Adviser or the Issuer (as applicable) (in the case of Relevant

Instruments which are Floating Rate Instruments) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark or (in the case of Relevant Instruments which are Reset Rates Instruments) in order to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the relevant Mid-Swap Floating Leg Benchmark Rate,

in any such case, acting in good faith and in a commercially reasonable manner as described more fully in the Terms and Conditions of the Relevant Instruments.

In addition, in the case of Relevant Instruments which are Floating Rate Instruments, the relevant Independent Adviser or the Issuer (as applicable) may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Terms and Conditions of the Instruments are necessary in order to follow market practice in relation to the relevant successor rate or alternative rate (as applicable) and to ensure the proper operation of the relevant successor rate or alternative rate (as applicable).

No consent of the Holders shall be required in connection with effecting any relevant successor rate or alternative rate (as applicable) or any other related adjustments and/or amendments described above.

In certain circumstances, the ultimate fallback of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period or Reset Period (as applicable) being used. This may result in the effective application of a fixed rate for Floating Rate Instruments or Reset Rate Instruments (as applicable) based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Instruments. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Instruments or Reset Rate Instruments or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Instruments or Reset Rate Instruments. Investors should note that, in the case of Relevant Instruments, the relevant Independent Adviser or the Issuer (as applicable) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Holder, any such adjustment will be favourable to each Holder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Instruments or Reset Rate Instruments.

The relevant Issuer's obligations under Subordinated Instruments are subordinated

As described under Condition 3B under "Terms and Conditions of the Instruments", the payment obligations of the relevant Issuer in respect of Subordinated Instruments issued by it will be subordinated and will rank behind the claims of Senior Creditors of the Issuer. "Senior Creditors of the Issuer" means creditors of the relevant Issuer who are either unsubordinated creditors of the relevant Issuer or who are subordinated creditors of the relevant Issuer but whose claims are expressed to rank in priority to the claims of the Holders of Subordinated Instruments (whether only in the winding-up of the relevant Issuer or otherwise). Payments of principal and interest in respect of Subordinated Instruments (whether in the winding-up of the relevant Issuer or otherwise) will be conditional upon the relevant Issuer being solvent at the time of making such payments. Principal or

interest will not be paid in respect of Subordinated Instruments except to the extent that the relevant Issuer could make such payment and still be solvent immediately thereafter.

In the event of the dissolution, liquidation, special liquidation and/or bankruptcy (to the extent applicable) of the relevant Issuer, the Holders of Subordinated Instruments will only be paid by the relevant Issuer after all Senior Creditors of the Issuer have been paid in full. If there are sufficient assets to enable the relevant Issuer to pay the claims of Senior Creditors of the Issuer in full but insufficient assets to enable it to pay claims in respect of its obligations in respect of the Subordinated Instruments and all other claims which rank *pari passu* to the Subordinated Instruments, Holders will lose some (which may be substantially all) of their investment in the Subordinated Instruments.

There is no restriction on the amount of securities or other liabilities that the relevant Issuer may issue, incur or guarantee and which rank senior to, or *pari passu* with, the Subordindated Instruments. The issue or guaranteeing of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders during a winding-up of the relevant Issuer and may limit the relevant Issuer's ability to meet its obligations under the Subordinated Instruments.

The Guarantor's obligations under the Deed of Guarantee in respect of Subordinated Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited are subordinated

As described under Condition 4B under "Terms and Conditions of the Instruments", the payment obligations of the Guarantor under the Deed of Guarantee in respect of Subordinated Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited will be subordinated and will rank behind the claims of Senior Creditors of the Guarantor. "Senior Creditors of the Guarantor" means creditors of the Guarantor who are either unsubordinated creditors of the Guarantor or who are subordinated creditors of the Guarantor but whose claims are expressed to rank in priority to the claims of the Holders of Subordinated Instruments or other persons claiming under the Deed of Guarantee (whether only in the winding-up of the Guarantor or otherwise). Payments under the Deed of Guarantee will be conditional upon the Guarantor being solvent at the time of making such payments. Payment will not be made under the Deed of Guarantee except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter.

In the event of the dissolution, liquidation, special liquidation and/or bankruptcy (to the extent applicable) of the Guarantor, the Holders of Subordinated Instruments will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full. If there are sufficient assets to enable the Guarantor to pay the claims of the Senior Creditors of the Guarantor in full but insufficient assets to enable it to pay claims in respect of its obligations in respect of the Subordinated Instruments and all other claims which rank *pari passu* to the Subordinated Instruments, Holders will lose some (which may be substantially all) of their investment in the Subordinated Instruments.

There is no restriction on the amount of securities or other liabilities that the Guarantor may issue, incur or guarantee and which rank senior to, or *pari passu* with, the Subordinated Instruments. The issue or guaranteeing of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders during a winding-up of the Guarantor and may limit the Guarantor's ability to meet its obligations under the Subordinated Instruments.

Although Subordinated Instruments may pay a higher rate of interest than comparable Instruments which are not subordinated, there is a significant risk that an investor in Subordinated Instruments will lose all or some of his investment in the event that the relevant Issuer and (if applicable) the Guarantor become insolvent. Furthermore, pursuant to Law 3864/2010, as amended by Laws

4254/2014 and 4346/2015, in certain circumstances where a credit institution has been unable to cover a capital shortfall through voluntary measures, subordinated instruments may mandatorily be converted into Tier 1 capital instruments, including ordinary shares, or the nominal value of such subordinated obligations may mandatorily be decreased.

General risks related to a particular issue of Instruments

No Claim against any Reference Item(s)

An Exempt Instrument will not represent a claim against any Reference Item(s) and, in the event that the amount paid on redemption of the Exempt Instruments is less than the nominal amount of the Exempt Instruments, a Holder will not have recourse under any Exempt Instrument to any Reference Item(s).

An investment in Exempt Instruments linked to one or more Reference Item(s) may entail significant risks not associated with investments in conventional debt securities, including but not limited to the risks set out in this section "General risks related to a particular issue of Instruments". The amount paid on redemption of such Exempt Instruments may be less than the nominal amount of the Exempt Instruments, together with any accrued interest, and may in certain circumstances be zero.

Hedging

In the ordinary course of its business, including without limitation in connection with its market making activities, the Bank and/or any of its affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in the Reference Item(s) or related derivatives. In addition, in connection with an offering of Exempt Instruments, the relevant Issuer, (if applicable) the Guarantor and/or any of their respective affiliates may enter into one or more hedging transactions with respect to the Reference Item(s) or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the relevant Issuer, (if applicable) the Guarantor and/or any of their respective affiliates, the relevant Issuer, (if applicable) the Guarantor and/or any of their respective affiliates may enter into transactions in the Reference Item(s) or related derivatives which may affect the market price, liquidity or value of the relevant Instruments and which could be deemed to be adverse to the interests of the Holders of such Exempt Instruments.

Potential Conflicts of Interest

Where the relevant Issuer or (if applicable) the Guarantor acts as Calculation Agent or the Calculation Agent is an affiliate of the relevant Issuer or (if applicable) the Guarantor, potential conflicts of interest may exist between the Calculation Agent and Holders of the relevant Instruments, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the terms of such Instruments that may influence the amount receivable in respect of the relevant Instruments. The relevant Issuer, (if applicable) the Guarantor and/or any Dealer may at the date hereof or at any time hereafter be in possession of information in relation to any Reference Item(s) that is or may be material in the context of an issue of Instruments and may or may not be publicly available to Holders of the relevant Instruments. There is no obligation on the relevant Issuer, (if applicable) the Guarantor or any Dealer to disclose to Holders of the relevant Instruments any such information. The relevant Issuer, (if applicable) the Guarantor and/or any of their respective affiliates may have existing or future business relationships with any Reference Item(s) (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Holder of any Instrument.

Impact of the bank recovery and resolution directive

On 2 July 2014, the BRRD, providing for the establishment of an EU framework for the recovery and resolution of credit institutions and investment firms, entered into force. The BRRD is designed to provide authorities with a credible set of resolution tools and powers to intervene sufficiently early and quickly in an unsound or failing relevant entity, to ensure the continuity of the relevant entity's critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

The BRRD, as transposed into Greek law by Law 4335/2015 (as amended by Laws 4340/2015, 4346/2015, 4354/2015 and 4370/2016 and in force) contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing relevant entity (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims (including Instruments) to equity or other instruments of ownership (the "general bail-in tool").

In particular, with respect to the general bail-in tool, the resolution authority (i.e. the Single Resolution Board as of 1 January 2016) will exercise the write-down and/or conversion powers in accordance with the priority of claims described in Law 4335/2015 (see "Regulation and Supervision of Banks in the Hellenic Republic – Resolution tools & Resolution Authority's powers"). The equity resulting from such conversion may also be subject to future cancellation, transfer or significant dilution. It should be noted that upon exercise of the general bail-in tool, the Bank may not be in a position to pay interest and principal on the Instruments in full and in a timely manner and any rights of the Holders of the Instruments may be varied, if necessary, so as to give effect to any bail-in action by the relevant resolution authority.

The BRRD, as transposed into Greek law by Law 4335/2015, as amended and in force, also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

A relevant entity will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD, as transposed into Greek law, provides for resolution authorities to have the further power to permanently write-down or convert into equity capital instruments such as Subordinated Instruments at the point of non-viability and before any other resolution action is taken ("non-viability loss absorption"). Any shares issued to holders of

Subordinated Instruments upon any such conversion into equity may also be subject to the general bail-in tool, resulting in their future cancellation, transfer or significant dilution.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which (i) the relevant authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken) or (ii) the relevant authority or authorities, as the case may be, determine(s) that the relevant entity or its group will no longer be viable unless the relevant capital instruments (such as Subordinated Instruments) are written-down or converted or (iii) extraordinary public financial support is required by the relevant entity other than, where the entity is an institution, for the purposes of remedying a serious disturbance in the economy of an EEA member state and to preserve financial stability.

Accordingly, the Holders of Instruments may be subject to write-down or conversion into equity on any application of the general bail-in tool and, in the case of Subordinated Instruments, non-viability loss absorption, which may result in such holders losing some or all of their investment, including principal amount plus any accrued interest. The write-down or conversion into equity may be imposed, without any prior notice by the resolution authority to the Holders of the Instruments of its decision to exercise such power. It should be further noted that the obligations of the Bank, in its capacity as Guarantor against the Holders of Instruments, may also be subject to the general bail-in tool and therefore the Bank's ability to meet its obligations under the Deed of Guarantee may be adversely affected.

The occurrence of circumstances under which write-down or conversion powers would need to be exercised would be likely to affect trading behaviour of the Bank, if the latter is considered as failing or likely to fail by the resolution authority and to generally have a material adverse impact on the Bank's business, assets, cash flows, financial condition and results of operation, as well as on its funding activities and the products and services offered.

As a result, any remaining Instruments may be of little trading value at the time that any bail-in power is exercised or become so thereafter as a result of legal challenges that may be raised against such bail-in action by any interested parties. Moreover, the Instruments may not follow the trading behaviour or patterns associated with this type of instruments under different market conditions.

Finally, to the extent that any resolution action is exercised pursuant to Law 4335/2015 or otherwise, the trading of the Instruments may be restricted or suspended.

Other than the general bail-in tool and, in the case of Subordinated Instruments, non-viability loss absorption, the Bank may also be subject to further resolution measures that may have a significant adverse effect on the Instruments, including the establishment of a bridge institution, whereby the Instruments may not be transferred to the bridge institution, but remain with the residual part of the Bank that will cease to operate and will be wound up under normal insolvency proceedings (i.e. special liquidation). In such a case, the Holders of the Instruments may lose some or all of their investment and the Bank's ability to perform its obligations under the Instruments, in its capacity as Guarantor, may be adversely affected.

The exercise of any power under the BRRD, as transposed into Greek law by Law 4335/2015, or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders of Instruments, the price or value of their investment in the Instruments and/or the ability of the relevant Issuer to satisfy its obligations under the Instruments and (if applicable) the ability of the Guarantor to satisfy its obligations under the Guarantee.

Moreover, the powers set out in the BRRD, as implemented into Greece by virtue of Law 4335/2015, impact how credit institutions and investment firms are managed, as well as, in certain circumstances, the rights of creditors (see also "Risk Factors – The new framework on bank recovery

and resolution may adversely affect the composition of the Bank's Board of Directors and management team and the Bank's financial condition, results of operations and prospects" above).

The claims of Holders of Instruments against the Bank will be of low ranking in case the Bank is placed under special liquidation.

In the event of special liquidation of the Bank, and subject to certain exemptions regarding claims of preferential treatment (arising from financial collateral arrangements within the meaning of article 2 of Law 3301/2004 or in connection to deposits of the Deposits Cover Scheme and Investments Cover Scheme of the HDIGF held with the Bank or in connection to contributions owed to such schemes by the Bank), the claims against the Bank shall be satisfied in the order of priority set out in par. 1 of article 145A, which was added to Law 4261/2014 by means of Law 4335/2015.

In particular, pursuant to article 145A of Law 4261/2014, as amended and in force, in case the Bank has been placed under special liquidation, claims against it shall be ranked as follows: (i) employment claims, as further defined in article 154 (d) of Law 3588/2007, as amended (the "Bankruptcy Code"); (ii) State claims in case that the public equity support tool has been used pursuant to articles 57 or 58 of Law 4335/2015; (iii) claims stemming from guaranteed deposits or subrogation claims of the HDGIF or claims of the HDIGF under the Deposits Cover Scheme in the context of resolution under article 104 of Law 4335/2015; (iv) State claims, irrespective of cause, including surcharges of any nature and interest charged on these claims; (v) claims of the Resolution Fund provided for under par. 6 of article 98 of Law 4335/2015 in case of financing for the purposes of fulfilling the obligations of the Resolution Fund, as further specified in article 95 of Law 4335/2015 and claims stemming from eligible deposits, insofar as they exceed €100,000 for deposits of individuals and small enterprises and SMEs; (vi) claims from covered investment services or relevant subrogation claims of the HDGIF; (vii) claims from eligible deposits, insofar as they exceed €100,000, but do not fall under (v) above; (viii) claims from deposits not covered under the compensation scheme of the HDGIF, with the exception of certain deposits set out in article 145A of Law 4261/2014; (ix) all claims neither falling under (i) to (viii) above nor being subordinated in accordance with the respective agreements, excluding, *inter alia*, claims from bonds issued by the Bank (unless guaranteed by the Hellenic Republic) and claims arising from guarantees granted by the Bank in relation to bonds or hybrid instruments issued by the Bank's subsidiaries, having their registered seat in Greece or abroad.

In light of the above, in case the Bank is placed under special liquidation, the claims of Holders of Instruments will rank after all claims referred to under (i) to (ix) above and therefore, the Bank's ability to fulfil its obligations under the Programme in full and in a timely manner may be adversely affected.

Risks related to Instruments generally

Set out below is a brief description of certain risks relating to the Instruments generally:

Modification, waivers and substitution

The Terms and Conditions of the Instruments contain provisions for calling meetings of Holders of Instruments to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders of Instruments including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Terms and Conditions of the Instruments also provide that each Issuer may, without the consent of any Holder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the outstanding Instruments issued by such Issuer upon notice by the relevant Issuer and the substituted debtor provided that certain conditions as set out in Condition 21 (and, in the case of Subordinated Instruments only, Condition 7.11) of the Terms and Conditions of

the Instruments are complied with. These conditions include the relevant Issuer not being in default in respect of any amount payable under the Instruments and the relevant Issuer and the substituted debtor entering into such documents as are necessary to give effect to the substitution. Upon such substitution, the substituted debtor shall succeed to, and be substituted for, and may exercise every right and power, of the relevant Issuer under the outstanding Instruments issued by the relevant Issuer with the same effect as if the substituted debtor had been named as the issuer thereof.

U.S. Dividend Equivalent Withholding

Section 871(m) of the U.S. Internal Revenue Code of 1986 (the Code) causes a 30 per cent. withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met (such instruments, Specified Instruments). If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section "*Taxation---U.S. Dividend Equivalent Withholding*".

For purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Instruments are subject to a different grandfathering rule than other Instruments. Prospective investors should refer to the section "*Taxation---Foreign Account Tax Compliance Act*".

Differences between the Instruments and bank deposits

An investment in the Instruments may give rise to higher yields than a bank deposit. However, an investment in the Instruments carries risks which are very different from the risks associated with a bank deposit, with the higher yield of the Instruments generally attributable to the greater risks associated with investment in the Instruments.

The Instruments are expected to be less liquid than bank deposits. Bank deposits are generally repayable on demand, or with notice from the depositors, whereas holders of the Instruments have no ability to require early repayment of their investment other than in an event of default (see Condition 11 of the Terms and Conditions of the Instruments). Furthermore, although the Instruments are transferable, the Instruments may have no established trading market when issued, and one may never develop. See "The secondary market generally".

Change of law

The Terms and Conditions of the Instruments are based on English law (save for (i) in the case of Instruments issued by the Bank, the subordination provisions in Condition 3B, (ii) in the case of Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, the subordination provisions in Condition 4B and the subordination provisions set out in the Deed of Guarantee, and (iii) Condition 22 which are governed by the laws of the Hellenic Republic) in effect as at the date of issue of the relevant Instruments. No assurance can be given as to the impact of any possible judicial decision or change to English law (or the Hellenic Republic law or to the European legislative regime, as applicable) or administrative practice after the date of issue of the relevant Instruments.

Instruments where denominations involve integral multiples: Definitive Instruments

In relation to any issue of Instruments which have denominations consisting of a minimum denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Instruments may be traded in amounts that are not integral multiples of such minimum denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum denomination in his account with the relevant clearing system would

not be able to sell the remainder of such holding without first purchasing a principal amount of Instruments at or in excess of the minimum denomination such that its holding amounts to a denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Instrument in respect of such holding (should Definitive Instruments be printed) and would need to purchase a principal amount of Instruments at or in excess of the minimum denomination such that its holding amounts to a denomination.

If Definitive Instruments are issued, holders should be aware that Definitive Instruments which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

Because the Global Instruments are held on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer

Instruments issued under the Programme may be represented by one or more Global Instruments. Such Global Instruments will be deposited with a common depositary or a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Instrument, investors will not be entitled to receive definitive Instruments. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Instruments. While the Instruments are represented by one of more Global Instruments, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Instruments are represented by one of more Global Instruments, the relevant Issuer and/or the Guarantor, if applicable, will discharge their payment obligations under the Instruments by making payments to the common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Instrument must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Instruments. The relevant Issuer has no responsibility or liability for the records in relation to, or payments made in respect of, beneficial interests in the Global Instruments.

Holders of beneficial interests in the Global Instruments will not have a direct right to vote in respect of the relevant Instruments. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Instruments will not have a direct right under the Global Instruments to take enforcement action against the relevant Issuer in the event of a default under the relevant Instruments.

Limitation on gross-up obligation under the Subordinated Instruments

The relevant Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Subordinated Instruments applies only to payments of interest due and paid under the Subordinated Instruments and not to payments of principal. As such, the relevant Issuer would not be required to pay any additional amounts under the terms of the Subordinated Instruments to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Subordinated Instruments, Holders of Subordinated Instruments may receive less than the full amount due under the Subordinated Instruments, and the market value of the Subordinated Instruments may be adversely affected. Holders of Subordinated Instruments should note that principal for these purposes will include any payments of premium.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Instruments may have no established trading market when issued, and one may never develop. If a market for the Instruments does develop, it may not be liquid any may be sensitive to changes in financial markets. Therefore, investors may not be able to sell their Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case should the relevant Issuer be in financial distress, which may result in a sale of the Instruments having to be at a substantial discount to their principal amount or for Instruments that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Instruments generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Instruments.

Exchange rate risks and exchange controls

The relevant Issuer will pay principal and interest on the Instruments and (if applicable) the Guarantor will make any payments under the Deed of Guarantee in the Currency of Payment specified in the applicable Final Terms. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Currency of Payment. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Currency of Payment or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Currency of Payment would decrease (i) the Investor's Currency-equivalent yield on the Instruments, (ii) the Investor's Currency-equivalent value of the principal payable on the Instruments and (iii) the Investor's Currency-equivalent market value of the Instruments.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in fixed rate Instruments involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Instruments, this will adversely affect the value of the Fixed Rate Instruments.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Instruments. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Instruments. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In addition, rating agencies may assign unsolicited ratings to the Instruments. In such circumstances, there can be no assurance that the unsolicited rating(s) will not be lower than the comparable solicited ratings assigned to the Instruments, which could adversely affect the market value and liquidity of the Instruments.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

Market Value of Instruments

The market value of an issue of Instruments will be affected by a number of factors independent of the creditworthiness of the relevant Issuer or (if applicable) the Guarantor, including, but not limited to:

(i) in the case of Reference Item Linked Instruments, the value and volatility of the Reference Item(s) and, where the Reference Item(s) is/are equity securities, the dividend rate on the Reference Item(s) and the financial results and prospects of the issuer of each Reference Item;

(ii) market interest and yield rates;

(iii) fluctuations in exchange rates;

(iv) liquidity of the Instruments or any Reference Item(s) in the secondary market;

(v) the time remaining to any redemption date or the maturity date; and

(vi) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange(s) on which any Reference Item may be traded.

In relation to Reference Item Linked Instruments, the price at which a Holder will be able to sell any such Exempt Instruments prior to maturity may be at a discount, which could be substantial, to the market value of such Exempt Instruments on the issue date, if, at such time, the market price of the Reference Item(s) is below, equal to or not sufficiently above the market price of the Reference Item(s) on the issue date. The historical market prices of any Reference Item should not be taken as an indication of such Reference Item's future performance during the term of any such Exempt Instrument.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Instruments are legal investments for it, (ii) Instruments can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Instruments. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Instruments under any applicable risk-based capital or similar rules.

Additional Risk Factors

Additional risk factors in relation to specific issues of Exempt Instruments may be included in the applicable Pricing Supplement.

Prospective investors who consider purchasing any Instruments should reach an investment decision only after carefully considering the suitability of such Instruments in light of their particular circumstances.

OVERVIEW OF THE PROGRAMME

The following is an overview only and should be read in conjunction with the rest of this Prospectus and, in relation to any Instruments, in conjunction with the applicable Final Terms and, to the extent applicable, the Terms and Conditions of the Instruments set out herein. Any decision to invest in any Instruments should be based on a consideration of this Prospectus as a whole, including any documents incorporated by reference, by any investor. The Issuers, the Guarantor and any relevant Dealer may agree that Instruments shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of PD Instruments only and, if appropriate, a supplement to this Prospectus or a new Prospectus will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No. 809/2004 (as amended) implementing the Prospectus Directive (the "Prospectus Regulation").

Words and expressions defined in "Terms and Conditions of the Instruments" shall have the same meanings in this Overview.

Information relating to the Issuers and the Guarantor

Issuers:	ERB Hellas PLC, a public limited company incorporated under the laws of England and Wales with registration number 3798157. The registered office of ERB Hellas PLC is at 2nd Floor, Devonshire House, 1 Mayfair Place, London W1J 8AJ, United Kingdom, with telephone number +44(0)207 973 8630. ERB Hellas (Cayman Islands) Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands with number CR 117363. The registered office of ERB Hellas (Cayman Islands) Limited is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111 Cayman Islands, with telephone number +1 (345) 945 3901. Eurobank Ergasias S.A., a public company limited by shares incorporated under the laws of the Hellenic Republic with General Commercial Registry number 000223001000. The registered office of ERB Eurobank Ergasias S.A. is at 8 Othonos Street, Athens 10557, Greece, with telephone number +30 210 333 7000.
Guarantor of Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited:	Eurobank Ergasias S.A.
Business of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited:	Each of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited is a finance subsidiary of the Bank whose principal business is raising debt to be deposited with the Bank.
Business of the Bank:	The Bank is currently one of the four systemic banks in Greece. In Greece, the Bank has leading positions in Retail Banking, Small and Medium-Sized Enterprises ("SMEs"), Investment Banking, Capital Markets, Private Banking and Asset

Management.

The Bank operated a total network of 700 branches as at the end of 2017, in Greece and in Central and South-eastern Europe, offering a wide range of banking and financial services to its individual and corporate clients. The Bank is a public company under Greek law, listed on the Athens Exchange since April 1999. It is subject to regulation and supervision by the Bank of Greece and as of 3 November 2014 by the ECB (as defined below) pursuant to the provisions of Regulation 1024/2013. The Bank is also regulated by the Hellenic Capital Market Commission.

Risk Factors:

Risks relating to ERB Hellas PLC, ERB Hellas (Cayman Islands) Limited and Eurobank Ergasias S.A.

There are certain factors which may affect the relevant Issuer's ability to fulfil its obligations under any Instruments issued by it and (if applicable) the Guarantor's ability to fulfil its obligations under the Deed of Guarantee. These include the following:

- financing arrangements between ERB Hellas PLC and Eurobank or other members of the Group may be affected by the United Kingdom's withdrawal from the European Union;
- uncertainty resulting from Greece's financial and economic crisis is likely to continue to have a significant adverse impact on the Bank's business;
- recessionary pressures in Greece stemming from the Second Economic Adjustment Programme or a failure to implement the Third Economic Adjustment Programme may have a continuing adverse effect on the Bank;
- the Bank is currently restricted in its ability to obtain funding in the capital markets;
- an accelerated outflow of funds from customer deposits could cause an increase in costs of funding;
- there are risks associated with the Bank's need for additional capital and liquidity;
- there are risks associated with the Bank impletementing IFRS 9;
- the Bank's wholesale borrowing costs and access to liquidity and capital depend on the credit ratings of both the Bank and Greece;
- the Bank's borrowing costs and liquidity levels may be negatively affected by deteriorating asset valuations;

- the Bank is exposed to the risk of political instability in Greece;
- the EU regulatory and supervisory framework may constrain the economic environment and adversely impact the operating environment of the Bank;
- the Group is vulnerable to on-going political disruptions and volatility in the global financial markets, including the sovereign debt crisis in the Eurozone;
- the European Commission and the HFSF exercise significant influence on the Bank;
- the implementation of the state aid restructuring plan could subject the Group to a variety of risks;
- changes in interest rates, foreign exchange rates, equity prices and other market factors affect the Bank's businesses;
- risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties;
- each of the Bank's businesses is subject to substantial regulation and regulatory oversight. Any significant regulatory developments could have an effect on how the Bank conducts its business and on the results of its operations;
- the Bank conducts significant international activities outside Greece and as a result, the Group is exposed to risks in these countries;
- the Bank is exposed to reputational risk;
- the Bank is exposed to credit risk, market risk, liquidity risk, operational risk and litigation risk;
- the Bank is exposed to the risk of fraud and illegal activity and various cyber security and technological risks;
- the Bank's economic hedging may not prevent losses;
- transactions in the Bank's portfolio involve risks;
- the Bank's loan portfolio in Greece may continue to contract; and
- additional taxes may be imposed on the Group.

Risks relating to Instruments

Certain issues of Instruments may involve a high degree of risk.

There are certain factors which are material for the purpose of assessing the market risks associated with investing in any Instruments, which include, without limitation, the fact that Instruments are unsecured obligations of the relevant Issuer and (if applicable) the fact that the obligations of the Guarantor under the Deed of Guarantee (as defined below) are unsecured, that there may be a time lag between valuation and settlement in relation to an Instrument, that there may be potential conflicts of interest, that market disruptions or other events may occur in respect of the particular Reference Item(s) (as defined under "Risks related to the structure of a particular issue of Instruments" in "Risk Factors") to which the amounts payable in respect of the relevant Instruments may relate, as specified in the applicable Pricing Supplement in the case of an issue of Exempt Instruments, that there may be taxation risks, that there may be illiquidity of the Instruments in the secondary market, that there may be the risk that performance of the relevant Issuer's obligations under the Instruments or (if applicable) the Guarantor's obligations under the Deed of Guarantee in respect thereof may become illegal, that there may be exchange rate risks and exchange controls and that the market value of the Instruments may be affected by the creditworthiness of the relevant Issuer and/or (if applicable) the Guarantor and a number of additional factors.

In addition, prospective investors in Exempt Instruments that are Reference Item Linked Instruments (as defined under "Risks related to the structure of a particular issue of Instruments" in "Risk Factors") should understand the risks of transactions involving Reference Item Linked Instruments and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Reference Item Linked Instruments in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item Linked Instruments and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item Linked Instruments may relate, as specified in the applicable Pricing Supplement.

Where the applicable Pricing Supplement specifies one or more Reference Item(s), the relevant Instruments will represent an investment linked to the performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in the Instruments will depend upon the performance of such Reference Item(s).

See "Risks related to the structure of a particular issue of Instruments" in "Risk Factors".

PROSPECTIVE PURCHASERS OF REFERENCE ITEM

LINKED INSTRUMENTS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT THE REFERENCE ITEM(S) ARE AND TO SEE HOW BOTH THE MATURITY REDEMPTION AMOUNT AND ANY PERIODIC INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM LINKED INSTRUMENTS.

CERTAIN ISSUES OF INSTRUMENTS (INCLUDING REFERENCE ITEM LINKED INSTRUMENTS) INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

Information relating to the Programme

Arranger:	Eurobank Ergasias S.A.
Dealer:	Eurobank Ergasias S.A. and any other Dealers appointed from time to time by the Issuers either generally in respect of the Programme or in relation to a particular Tranche (as defined below).
Issue and Paying Agent:	Deutsche Bank AG, London Branch
Initial Programme Amount:	€5,000,000,000 in aggregate principal amount of Instruments outstanding at any one time, which may be increased, subject to compliance with the provisions of the Dealership Agreement (as defined under "Subscription and Sale").
Distribution:	Instruments will be issued on a syndicated or non-syndicated basis. Instruments will be issued in series (each, a "Series"). Each Series may comprise one or more tranches ("Tranches" and each, a "Tranche") issued on different issue dates. The Instruments of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Instruments of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Instruments of different denominations.
Form of Instruments:	Instruments will be issued in bearer form or, in the case of Exempt Instruments, if so specified in the applicable Pricing Supplement, in registered form. Each Tranche of Instruments to be issued in bearer form will be represented by a Temporary Global Instrument or (if so specified in the applicable Final Terms in respect of Instruments to which U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor Treasury Regulation section including, without limitation, regulations issued in accordance with United States Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of

	2010) (the "TEFRA C Rules") applies or to which TEFRA does not apply) a Permanent Global Instrument. Each Temporary Global Instrument will be exchangeable for a Permanent Global Instrument or, if so specified in the applicable Final Terms, for Definitive Instruments. Each Permanent Global Instrument will be exchangeable for Definitive Instruments in accordance with its terms (see further under "Provisions Relating to the Instruments Whilst in Global Form" below). In respect of each Tranche of Exempt Instruments to be issued in registered form, the provisions applicable thereto will be specified in the applicable Pricing Supplement. Any such Instruments in registered form will be held outside Euroclear and Clearstream, Luxembourg. In relation to Instruments in bearer form, see "Provisions Relating to the Instruments Whilst in Global Form" below.
Currencies:	Instruments may be denominated in any currency or currencies.
Status of Instruments:	Instruments may be issued on a subordinated or unsubordinated basis, as specified in the applicable Final Terms. Unsubordinated Instruments will contain a negative pledge as set out in Condition 5 and events of default, including a cross-acceleration provision as set out in Condition 11.1. Subordinated Instruments will not contain a negative pledge and will have limited events of default (with no cross-acceleration provision) as set out in Condition 11.3.
Status of Guarantee:	Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited will be unconditionally and irrevocably guaranteed by the Guarantor on a subordinated or an unsubordinated basis, as specified in the applicable Final Terms, pursuant to a Deed of Guarantee dated 18 May 2017 (the "Deed of Guarantee").
Issue Price:	Instruments may be issued at any price and either on a fully or, in the case of Exempt Instruments only, partly paid basis, as specified in the applicable Final Terms.
Terms of the Instruments:	The following types of Instrument may be issued: (i) Instruments which bear interest at a fixed rate, a fixed rate which is reset periodically or a floating rate; (ii) Instruments which do not bear interest; (iii) Exempt Instruments which bear interest, and/or the Maturity Redemption Amount of which is, calculated by reference to specified Reference Item(s) such as movements in interest rates within specified range(s) or by reference to specified benchmark(s) or movements in an index or indices or movements in a currency exchange rate or changes in the prices of one or more equity securities; and (iv) Instruments which have any combination of the foregoing features. Interest periods, rates of interest and the terms of and/or amounts payable on redemption will be specified in the

applicable Final Terms.

Change of Interest/Payment Basis: Instruments may be converted from one interest and/or payment basis to another if so provided in the applicable Final Terms.

Maturities: Any maturity.

Any Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited which (i) have a maturity of less than one year and (ii) in the case of ERB Hellas (Cayman Islands) Limited only, if the issue proceeds are accepted in the United Kingdom, must (a) have a minimum denomination of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA").

Exempt Instruments: The Issuers may issue Exempt Instruments which are Index Linked Instruments, Dual Currency Instruments or Exempt Instruments redeemed in one or more instalments. The Issuers may also issue Exempt Instruments which are Partly Paid Instruments in respect of which the issue price is paid in separate instalments in such amounts and on such dates as the relevant Issuer and the relevant Dealer may agree.

Index Linked Instruments: Payments of principal in respect of Index Linked Redemption Instruments or of interest in respect of Index Linked Interest Instruments will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the relevant Issuer and the relevant Dealer may agree.

Dual Currency Instruments: Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Instruments will be made in such currencies, and based on such rates of exchange, as the relevant Issuer and the relevant Dealer may agree.

Instruments redeemable in instalments: The relevant Issuer may issue Exempt Instruments which may be redeemed in separate instalments in such amounts and on such dates as the relevant Issuer and the relevant Dealer may agree.

The relevant Issuer, and in the case of Exempt Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited, the Guarantor, may agree with any Dealer that Exempt Instruments may be issued in a form not contemplated by the Terms and Conditions of the Instruments, in which event the

relevant provisions will be included in the applicable Pricing Supplement.

Index Linked Instruments:

Index Linked Instruments are Exempt Instruments. Payments of interest in respect of Index Linked Interest Instruments will be calculated by reference to a single index or a basket of indices and/or such formula as specified in the applicable Pricing Supplement.

Payments of principal in respect of Index Linked Redemption Instruments will be calculated by reference to a single index or a basket of indices. Each nominal amount of such Exempt Instruments equal to the Calculation Amount specified in the applicable Pricing Supplement will be redeemed by payment of the Maturity Redemption Amount specified in the applicable Pricing Supplement.

If an Index Adjustment Event (as defined in the "Terms and Conditions of the Instruments" and relating to a relevant index modification, cancellation or disruption) occurs, the relevant Issuer may require certain adjustments to be made including potentially a substitution of the relevant index or may redeem the Exempt Instruments, each Calculation Amount being redeemed at the Early Termination Amount specified in the applicable Pricing Supplement.

Prospective investors must review the "Terms and Conditions of the Instruments" and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Exempt Instruments.

Equity Linked Instruments:

Equity Linked Instruments are Exempt Instruments. Payments of interest in respect of Equity Linked Interest Instruments will be calculated by reference to a single equity security or basket of equity securities on such terms as specified in the applicable Pricing Supplement.

Payments of principal in respect of Equity Linked Redemption Instruments will be calculated by reference to a single equity security or a basket of equity securities. Each nominal amount of such Exempt Instruments equal to the Calculation Amount specified in the applicable Pricing Supplement will be redeemed by payment of the Maturity Redemption Amount specified in the Pricing Supplement. An investment in Equity Linked Redemption Instruments may bear similar risks to a direct equity investment and investors should take advice accordingly.

If Potential Adjustment Events and/or De-listing, Merger Event, Nationalisation and Insolvency and/or Tender Offer are specified as applying in the applicable Pricing Supplement, the Exempt Instruments may be subject to adjustment (including, if "Equity Substitution" is specified as applying in the applicable Pricing Supplement, substitution of a relevant equity security by

	another) or, if De-listing, Merger Event, Nationalisation and Insolvency and/or Tender Offer are specified as applying in the applicable Pricing Supplement, redeemed, each Calculation Amount being redeemed at the Early Termination Amount specified in the applicable Pricing Supplement. Prospective investors must review the "Terms and Conditions of the Instruments" and the applicable Pricing Supplement to ascertain whether and how such provisions apply to such Exempt Instruments. Payments of principal and interest in respect of Equity Linked Instruments will be settled in cash only.
Additional Disruption Events (Index Linked Instruments and Equity Linked Instruments only):	Additional Disruption Events are applicable in the case of Exempt Instruments only. If Additional Disruption Events are specified as applying in the applicable Pricing Supplement and any such event as specified occurs, the Exempt Instruments will be subject to adjustment or may be redeemed, each Calculation Amount being redeemed at the Early Termination Amount specified in the applicable Pricing Supplement. Prospective investors must review the "Terms and Conditions of the Instruments" and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Exempt Instruments.
Disrupted Days:	Disrupted Days are applicable in the case of Exempt Instruments only. Where the Exempt Instruments are Index Linked Instruments or Equity Linked Instruments, the Calculation Agent may determine that a Disrupted Day has occurred or exists at a relevant time. Any such determination may have an effect on the value of the Exempt Instruments and/or may delay settlement in respect of the Instruments. Prospective investors must review the "Terms and Conditions of the Instruments" and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Exempt Instruments.
Illegality:	In the event that the relevant Issuer determines that the performance of the relevant Issuer's obligations under any Instruments or (if applicable) the Guarantor's obligations in respect thereof under the Deed of Guarantee has or will become unlawful, illegal, or otherwise prohibited in whole or in part, the relevant Issuer may redeem all (but not some only) of such Instruments, each Calculation Amount being redeemed at the Early Termination Amount specified in the applicable Final Terms, together, if appropriate, with accrued interest.
Autocallable Instruments:	Autocallable Instruments are Exempt Instruments. If Autocall is specified as applying in the applicable Pricing Supplement and an Autocall Event (as set out in the applicable Pricing Supplement) occurs, the Exempt Instruments will be redeemed,

	each Calculation Amount being redeemed at the Autocall Redemption Amount specified in the applicable Pricing Supplement.
Redemption:	The applicable Final Terms relating to each Tranche will indicate either that such Instruments cannot be redeemed prior to their stated maturity (other than in the case of Exempt Instruments in specified instalments (see below), if applicable, or for taxation reasons, following a Capital Disqualification Event (in the case of Subordinated Instruments only) or following an Event of Default or on an illegality or, in the case of Exempt Instruments to which Autocall is specified as applying in the applicable Pricing Supplement, following an Autocall Event, or, in the case of Index Linked Instruments, following an Index Adjustment Event, or, in the case of Equity Linked Instruments and if so specified as applying in the applicable Pricing Supplement, following a De-listing, Merger Event, Nationalisation and Insolvency and/or Tender Offer, or, in the case of Index Linked Instruments or Equity Linked Instruments and if so specified in the applicable Pricing Supplement, following an Additional Disruption Event subject, in the case of Subordinated Instruments, to the Relevant Regulator granting permission to such redemption or purchase and the compliance by the Issuer with any alternative or additional pre-conditions to such redemption or purchase) or that such Instruments will be redeemable at the option of the relevant Issuer and/or the Holders upon giving the required notice, on a specified date or dates and at a price or prices and on such terms as are indicated in the applicable Final Terms. The applicable Pricing Supplement may provide that Exempt Instruments may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Pricing Supplement.
Denominations:	Instruments will be issued in such denominations as may be specified in the applicable Final Terms. The minimum denomination of each PD Instrument admitted to trading on a regulated market within the European Economic Area and/or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or the equivalent amount in the relevant currency).
Taxation:	Unless required by law, all payments in respect of the Instruments will be made without deduction for, or on account of, withholding taxes of the United Kingdom (in the case of Instruments issued by ERB Hellas PLC) or the Cayman Islands (in the case of Instruments issued by ERB Hellas (Cayman Islands) Limited) or the Hellenic Republic (in the case of Instruments issued by Eurobank Ergasias S.A.), as the case may be, and (in the case of Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited) all payments by the Guarantor under the Deed of Guarantee will be made

	without deduction for, or on account of, withholding taxes of the Hellenic Republic, as provided in Condition 12. In the event that any such deduction is required, the relevant Issuer or, as the case may be, the Guarantor (if applicable) will, save in certain limited circumstances provided in Condition 12, be required to pay additional amounts as will result in the receipt by Holders of the relevant Instruments of such net amount as they would have received had no such deduction been required. The relevant Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Subordinated Instruments applies only to payments of interest due and paid under the Subordinated Instruments and not to payments of principal. As such, the relevant Issuer would not be required to pay any additional amounts under the terms of the Subordinated Instruments to the extent any withholding or deduction applied to payments of principal. All payments in respect of the Instruments will be made subject to any withholding or deduction required pursuant to FATCA (as defined below), as provided in Condition 13C.
Governing Law:	The Instruments and the Deed of Guarantee and any non-contractual obligations arising out of or in connection with them shall be governed by, and construed in accordance with, English law except that (i) in the case of Instruments issued by the Bank, the subordination provisions in Condition 3B, (ii) in the case of Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, the subordination provisions in Condition 4B and the subordination provisions set out in the Deed of Guarantee, and (iii) Condition 22 shall be governed by, and construed in accordance with, the laws of the Hellenic Republic and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the "Regulation").
Listing and Admission to Trading:	Application has been made to the CSSF to approve this Prospectus as a base prospectus. Application has also been made for PD Instruments issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market. Instruments may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets or not listed or admitted to trading on any market. The applicable Final Terms will state whether or not the relevant Instruments are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Terms and Conditions:	Final Terms will be prepared in respect of each Tranche of Instruments. A copy of such Final Terms will, in the case of PD Instruments to be listed on the Luxembourg Stock Exchange or

	offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, be delivered to the Luxembourg Stock Exchange and/or the CSSF on or before the date of issue of such PD Instruments. The terms and conditions applicable to each Tranche of PD Instruments will be those set out herein under "Terms and Conditions of the Instruments" as completed by Part A of the applicable Final Terms. The terms and conditions applicable to each Tranche of Exempt Instruments will be those set out herein under "Terms and Conditions of the Instruments" as modified, amended and/or completed by Part A of the applicable Pricing Supplement. For Instruments in global form, holders will have the benefit of, in the case of Instruments issued by ERB Hellas PLC, a Deed of Covenant executed by ERB Hellas PLC dated 18 May 2017, in the case of Instruments issued by ERB Hellas (Cayman Islands) Limited, a Deed of Covenant executed by ERB Hellas (Cayman Islands) Limited dated 18 May 2017 and, in the case of Instruments issued by the Bank, a Deed of Covenant executed by the Bank dated 18 May 2017, copies of which will be available for inspection at the specified office of the Issue and Paying Agent.
Clearing Systems:	Euroclear, Clearstream, Luxembourg and/or, in relation to any Instruments, any other clearing system as may be specified in the applicable Final Terms.
Bondholders' Agent:	In the case of Instruments issued by the Bank ("Bank Instruments") to which Greek law 3156/2003 applies and for the purposes of which the appointment of a Bank Holders' Agent (as defined below) is required, as per Greek law 3156/2003, the Bank shall appoint an agent of the Holders of Bank Instruments (the "Bank Holders' Agent") in accordance with Condition 22 of the Instruments.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of offering material in the United States of America, the European Economic Area (including the United Kingdom, Greece and the Republic of France), Japan and the Cayman Islands, see under "Subscription and Sale".

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the CSSF, shall be incorporated by reference in, and form part of, this Prospectus:

(a) the audited consolidated annual financial statements of the Bank as of and for each of the financial years ended 31 December 2017 and 31 December 2016, as contained within Part IV (*Consolidated Financial Statements for the year ended 31 December 2017*) of the Bank's Annual Financial Report for the Year Ended 31 December 2017 and Part III (*Consolidated Financial Statements for the 2016 Financial Year (Independent Auditors' Report included*) of the Bank's Annual Financial Report for the Year Ended 31 December 2016, in each case prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS"), including the information set out at the following pages of the Bank's 'consolidated financial statements as of and for the year ended 2017' and 'consolidated financial statements as of and for the year ended 2016', respectively:

	2017	*2016*
Independent Auditors' Report	see section (b) below	pages 1-2
Consolidated Balance Sheet	page 1	page 3
Consolidated Income Statement	page 2	page 4
Consolidated Statement of Comprehensive Income	page 3	page 5
Consolidated Statement of Changes in Equity	page 4	page 6
Consolidated Cash Flow Statement	page 5	page 7
Notes to the Consolidated Financial Statements	pages 6-130	pages 8-126;

(b) the Independent Auditors' Report for the financial year ended 31 December 2017, as contained within pages 1-9 of Part III (*Independent Auditors' Report*), of the Bank's Annual Financial Report for the Year Ended 31 December 2017,

(c) the audited annual annual financial statements of ERB Hellas PLC as of and for each of the financial years ended 31 December 2017 and 31 December 2016, in each case prepared in accordance with IFRS, including the information set out at the following pages of ERB Hellas PLC's 'Annual Report 2017' and ERB Hellas PLC's 'Annual Report 2016', respectively:

	2017	*2016*
Independent Auditors' Report	pages 10-14	pages 10-12
Statement of Comprehensive Income	page 15	page 13
Balance Sheet	page 16	page 14
Statement of Changes in Equity	page 17	page 15
Cash Flow Statement	page 18	page 16
Notes to the Financial Statements	pages 19-43	pages 17-41

(d) the audited annual financial statements of ERB Hellas (Cayman Islands) Limited as of and for each of the financial years ended 31 December 2016 and 31 December 2015, in each case prepared in accordance with IFRS, including the information set out at the following pages of

ERB Hellas (Cayman Islands) Limited's 'Annual Report 2016' and ERB Hellas (Cayman Islands) Limited's 'Annual Report 2015', respectively:

	2016	*2015*
Independent Auditors' Report	pages 9-10	pages 10-11
Statement of Comprehensive Income	page 10	page 12
Balance Sheet	page 11	page 13
Statement of Changes in Equity	page 12	page 14
Cash Flow Statement	page 13	page 15
Notes to the Financial Statements	pages 14-34	pages 16-35

(e) the sections entitled "*Terms and Conditions of the Instruments*" set out on pages 72 to 131 (inclusive) of the prospectus dated 18 May 2017, pages 69 to 121 (inclusive) of the prospectus dated 25 April 2016, pages 64 to 116 (inclusive) of the prospectus dated 13 May 2015 and pages 66 to 117 (inclusive) of the prospectus dated 27 May 2014.

Any information not referred to in the cross-reference lists above but included in the documents incorporated by reference is given for information purposes only rather than information required by the relevant Annexes of the Prospectus Regulation.

Following the publication of this Prospectus a supplement may be prepared by the Obligors and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

In the event of any significant new factor arising or any material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of any Instruments, the Obligors will prepare and publish a supplement to this Prospectus or prepare and publish a new prospectus for use in connection with any subsequent issue of Instruments.

Copies of documents incorporated by reference in this Prospectus can be obtained from the Luxembourg Stock Exchange's website at *www.bourse.lu* and, free of charge, from the registered office of each Obligor.

Presentation of Alternative Performance Measures

In this Prospectus, the Bank uses the following metrics in the analysis of its business and financial position, which the Bank considers to constitute "Alternative Performance Measures" as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures dated 5 October 2015 (the "ESMA Guidelines").

The Bank believes that these Alternative Performance Measures are important aids to understanding the Group's performance, the quality of its assets, operations and capital position.

Alternative Performance Measure	Calculation method and/or definition	Purpose of the APM
Pre-Provision Income (PPI)	Profit from operations before impairments, provisions and restructuring costs as disclosed in the financial statements for the reported period.	Shows the net income from continuing core and non-core business activities minus the operating expenses (before certain cost elements as disclosed in the financial statements and income from associates and joint ventures).
Core Pre-provision Income (Core PPI)	The total of net interest income, net banking fee and commission income and income from non-banking services minus the operating expenses of the reported period.	Shows the net income from continuing core business activities minus the operating expenses (before certain cost elements as disclosed in the financial statements and income from associates and joint ventures).
Net Interest Margin (NIM):	The net interest income of the reported period, annualized and divided by the average balance of total assets (the arithmetic average of total assets, excluding assets classified as held for sale, at the end of the reported period and at the end of the previous reporting period).	Shows the return on total assets in terms of net interest income.
Cost to income ratio	Operating expenses divided by total operating income.	The cost to income ratio is an efficiency measure; It shows the operating expenses as a percentage of total operating income.
90 days past due loan (90dpd) ratio:	Gross loans and advances to customers more than 90 days past due divided by gross loans and advances to customers at the end of the reported period.	Shows how the proportion of the Issuer's 90 days past due loans and advances to customers develops.
90dpd coverage ratio:	Impairment allowance for loans and advances to customers divided by loans and advances to customers more than 90 days past due at the end of the reported period.	Shows the coverage of 90 days past due loans and advances to customers by impairment allowance.
Non-performing exposures (NPEs):	Non Performing Exposures (in compliance with EBA Guidelines) are the Issuer's material exposures which are more than 90 days past due or for which the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or the number of days past due.	
NPEs ratio:	Non Performing Exposures ("NPEs")	Shows how the proportion of

Alternative Performance Measure	Calculation method and/or definition	Purpose of the APM
	divided by gross loans and advances to customers at the end of the reported period.	the Issuer's NPEs develops.
Provisions (charge) to average Net Loans ratio (Cost of Risk):	Impairment losses on loans and advances to customers charged in the reported period, annualized and divided by the average balance of net loans and advances to customers (the arithmetic average of net loans and advances to customers at the end of the reported period and at the end of the previous year).	Shows the cost of credit risk for the reported period as a percentage of average balance of net loans and advances to customers.
Loans to Deposits ratio:	Loans and advances to customers (net of Impairment Allowance) divided by due to customers at the end of the reported period.	Shows the extent to which the issuer's loans and advances to customers are financed by deposits.
Risk-weighted assets (RWAs):	Risk-weighted assets are the Issuer's assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013, taking into account credit, market and operational risk.	
Phased in Common Equity Tier I (CET1):	Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 based on the transitional rules for the reported period, divided by total RWAs.	Indicator of the capital position of the Issuer based on the transitional regulatory framework in force.
Fully loaded Common Equity Tier I (CET1):	Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 without the application of the relevant transitional rules, divided by total RWAs.	Indicator of the capital position of the Issuer based on the regulatory framework, which will be in force after the end of the transitional period.
Phased in total capital ratio:	Total regulatory capital as defined by Regulation No 575/2013 based on the transitional rules for the reported period, divided by total RWAs.	Indicator of the capital position of the Issuer based on the transitional regulatory framework in force.
Fully loaded total capital ratio:	Total regulatory capital as defined by Regulation No 575/2013 without the application of the relevant transitional rules, divided by total RWAs.	Indicator of the capital position of the Issuer based on the regulatory framework, which will be in force after the end of the transitional period.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS AND OFFERS OF INSTRUMENTS GENERALLY

This Prospectus has been prepared on the basis that would permit an offer of Exempt Instruments with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Directive to publish a prospectus. As a result, any offer of Exempt Instruments in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") must be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Instruments. Accordingly any person making or intending to make an offer of Exempt Instruments in that Relevant Member State may only do so in circumstances in which no obligation arises for any of the relevant Issuer, (if applicable) the Guarantor and/or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the relevant Issuer, (if applicable) the Guarantor and any Dealer has authorised, nor does any of them authorise, the making of any offer of Instruments in circumstances in which an obligation arises for any of the relevant Issuer, (if applicable) the Guarantor and/or any Dealer to publish or supplement a prospectus for such offer.

Instruments will be issued in bearer form or, in the case of Exempt Instruments and if so specified in the applicable Pricing Supplement, in registered form. In respect of each Tranche of Instruments to be issued in bearer form, the relevant Issuer will deliver a temporary global Instrument (a "Temporary Global Instrument") or (if so specified in the applicable Final Terms) a permanent global instrument (a "Permanent Global Instrument"). Such global Instrument, if the global Instruments are intended to be issued in new global instrument form ("NGI form"), as specified in the applicable Final Terms, will be delivered on or prior to the original issue date of the Tranche to a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg") and, if the global Instruments are not intended to be issued in NGI form, will be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg. Each Temporary Global Instrument will be exchangeable for a Permanent Global Instrument or, if so specified in the applicable Final Terms, for Instruments in definitive bearer form ("Definitive Instruments"). Each Permanent Global Instrument will be exchangeable for Definitive Instruments in accordance with its terms. In respect of each Tranche of Exempt Instruments to be issued in registered form, the provisions applicable thereto will be specified in the applicable Pricing Supplement. Any such Exempt Instruments in registered form will be held outside Euroclear and Clearstream, Luxembourg. In relation to Instruments in bearer form, see "Provisions Relating to the Instruments Whilst in Global Form" below.

All references in this document to "U.S.$" and "$" are to United States dollars, those to "Sterling" and "£" are to pounds sterling and those to "€", "euro", "Euro" and "EUR" are to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

SIZE OF THE PROGRAMME

This Prospectus and any supplement will only be valid for listing PD Instruments on the Luxembourg Stock Exchange during the period of 12 months from the date of approval of this Prospectus in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Instruments previously or simultaneously issued under the Programme, does not exceed €5,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Instruments issued under the Programme from time to time:

(a) the euro equivalent of Instruments denominated in another Currency of Denomination (as specified in the applicable Final Terms in relation to the relevant Instruments) shall be determined, at the discretion of the relevant Issuer, either as of the date on which agreement is reached for the issue of Instruments or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Currency of Denomination in the London foreign exchange market quoted by any leading international bank selected by the relevant Issuer on the relevant day of calculation;

(b) the euro equivalent of Exempt Instruments with different Currency of Denomination and Currency of Payment, Index Linked Instruments, Equity Linked Instruments and Partly Paid Instruments (each as specified in the applicable Pricing Supplement in relation to the relevant Exempt Instruments) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Exempt Instruments (in the case of Partly Paid Instruments regardless of the subscription price paid); and

(c) the euro equivalent of Non-interest bearing Instruments (as specified in the applicable Final Terms in relation to the relevant Instruments) and other Instruments issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the relevant Issuer for the relevant issue.

TERMS AND CONDITIONS OF THE INSTRUMENTS

This section applies to both Exempt Instruments and PD Instruments (each as defined below).

The following are the Conditions of the Instruments which will be incorporated by reference into each Instrument in global form (a "Global Instrument") and each definitive Instrument, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Instrument will have endorsed thereon or attached thereto such Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Instruments may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Conditions, replace or modify the following Conditions for the purpose of such Exempt Instruments. The applicable Final Terms (in the case of PD Instruments) or the applicable Pricing Supplement (in the case of Exempt Instruments) (or, in either case, the relevant provisions thereof) will be endorsed upon, or attached to, each Global Instrument and definitive Instrument. Reference should be made (i) in the case of PD Instruments, to the "applicable Final Terms" for a description of the content of the Final Terms and (ii) in the case of Exempt Instruments, to the "applicable Pricing Supplement", each of which will specify which of such terms are to apply in relation to the relevant Instruments.

The Instruments are issued pursuant to and in accordance with an amended and restated issue and paying agency agreement (as amended, supplemented or replaced, the "Issue and Paying Agency Agreement") dated 18 May 2017 and made between ERB Hellas PLC, ERB Hellas (Cayman Islands) Limited and Eurobank Ergasias S.A. (the "Bank") (each of which may issue Instruments and references in these Terms and Conditions (the "Conditions") to the "Issuer" are to the relevant Issuer of such Instruments as specified in the applicable Final Terms (as defined below) or an entity substituted for that Issuer in accordance with Condition 21), the Bank in its capacity as guarantor of Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited (in such capacity, the "Guarantor"), Deutsche Bank AG, London Branch in its capacity as issue and paying agent (the "Issue and Paying Agent", which expression shall include any successor to Deutsche Bank AG, London Branch in its capacity as such) and the paying agents named therein (the "Paying Agents", which expression shall include the Issue and Paying Agent and any substitute or additional paying agents appointed in accordance with the Issue and Paying Agency Agreement). If the Instruments are issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited they will be irrevocably and unconditionally guaranteed by the Guarantor pursuant and subject to the terms of the Deed of Guarantee (as defined below). References herein to the Guarantor and the Deed of Guarantee shall only be relevant where the Issuer is ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited and shall not apply where the Issuer is the Bank.

For the purposes of making determinations or calculations of interest rates, interest amounts, redemption amounts or any other matters requiring determination or calculation in accordance with the Conditions of any Series (as defined below) of Instruments, the Issuer may appoint a calculation agent (the "Calculation Agent") for the purposes of such Instruments, in accordance with the provisions of the Issue and Paying Agency Agreement, and such Calculation Agent shall be specified in the applicable Final Terms.

The Instruments issued by ERB Hellas PLC have the benefit of a deed of covenant dated 18 May 2017 executed by ERB Hellas PLC, the Instruments issued by ERB Hellas (Cayman Islands) Limited have the benefit of a deed of covenant dated 18 May 2017, executed by ERB Hellas (Cayman Islands) Limited and the Instruments issued by the Bank have the benefit of a deed of covenant dated 18 May 2017 executed by the Bank (each, as amended, supplemented or replaced, a "Deed of Covenant" and references to the "Deed of Covenant" in these Conditions are to the Deed of Covenant executed by the Issuer of such Instruments as specified in the applicable Final Terms or an entity substituted for that Issuer in accordance with Condition 21).

The Guarantor has, for the benefit of the holders of Instruments issued by ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited, executed and delivered an amended and restated deed of guarantee dated 18 May 2017 (as amended or supplemented from time to time, the "Deed of Guarantee") under which it has guaranteed (on an unsubordinated basis in the case of Unsubordinated Instruments (as defined below) and on a subordinated basis in the case of Subordinated Instruments (as defined below)) the due and punctual payment of all amounts due by the Issuer under the Instruments and the Deed of Covenant as and when the same shall become due and payable.

In the case of Instruments issued by the Bank ("Bank Instruments") to which Greek law 3156/2003 applies and for the purposes of which the appointment of a Bank Holders' Agent (as defined below) is required, as per Greek law 3156/2003, the Bank shall appoint an agent of the Holders of Bank Instruments (the "Bank Holders' Agent") in accordance with Condition 22 below.

Copies of the Issue and Paying Agency Agreement, the Deed of Covenant, the Deed of Guarantee and (to the extent applicable) the Bank Holders' Agency Agreement (as defined below) are available for inspection during normal business hours at the registered office of the Issuer and the Guarantor and at the specified office of each of the Paying Agents and, in the case of Bank Instruments, the Bank Holders' Agent. All persons from time to time entitled to the benefit of obligations under any Instruments shall be deemed to have notice of, and shall be bound by, all of the provisions of the Issue and Paying Agency Agreement, the Deed of Covenant and the Deed of Guarantee insofar as they relate to the relevant Instruments.

The final terms for this Instrument (or the relevant provisions thereof) are set out in Part A of the Final Terms (the "Final Terms") attached to or endorsed on this Instrument which complete these Conditions or, if this Instrument is an Instrument which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (an "Exempt Instrument"), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement (the "Pricing Supplement") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Instrument (where this Instrument is an Exempt Instrument). References to the "applicable Final Terms" are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Instrument. Any reference in the Conditions to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

The Instruments are issued in series (each, a "Series"), and each Series may comprise one or more tranches ("Tranches" and each, a "Tranche") of Instruments.

Each Tranche of Instruments listed on the Luxembourg Stock Exchange or offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive ("PD Instruments"), will be the subject of an applicable Final Terms document, a copy of which will be available on the website of the Luxembourg Stock Exchange at *www.bourse.lu* and, free of charge, at the registered office of the Issuer and the Guarantor. Each Tranche of Exempt Instruments will be the subject of an applicable Pricing Supplement document, but a copy of which will only be available at the registered office of the Issuer and the Guarantor (if applicable) by a holder of the relevant Exempt Instruments where such holder produces evidence satisfactory to the Issuer or the Guarantor, as the case may be, as to its holding of such Exempt Instruments.

References in these Conditions to Instruments are to Instruments of the relevant Series and any references to Coupons (as defined in Condition 1.2) and, in the case of Exempt Instruments only,

Receipts (as defined in Condition 1.3) are to Coupons and, in the case of Exempt Instruments only, Receipts relating to Instruments of the relevant Series.

In these Conditions, "euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. Form and Denomination

Form of Instruments

1.1 Unless the Instruments are Exempt Instruments and are specified in the applicable Pricing Supplement as being in registered form, the Instruments are issued in bearer form and if in definitive form are serially numbered. If the Instruments are Exempt Instruments and issued in registered form, the provisions applicable thereto will be set out in the applicable Pricing Supplement.

1.2 Interest-bearing Instruments have attached thereto at the time of their initial delivery coupons ("Coupons"), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. In addition, in the case of Instruments which, when issued in definitive form, have more than 27 interest payments remaining, such Instruments will have attached thereto at the time of their initial delivery a talon ("Talon") for further coupons and the expression "Coupons" shall, where the context so requires, include Talons.

1.3 This Condition 1.3 is applicable only to Exempt Instruments. Where the principal amount is repayable by instalments ("Instalment Exempt Instruments"), such Instalment Exempt Instruments have attached thereto at the time of their initial delivery payment receipts ("Receipts") in respect of the instalments of principal.

Denomination of Instruments

1.4 Instruments are in the denomination or denominations specified in the applicable Final Terms. Instruments of one denomination may not be exchanged for Instruments of any other denomination.

Currency of Instruments

1.5 The Instruments are denominated in the currency specified in the applicable Final Terms. Any currency may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Partly Paid Instruments

This Condition 1.6 is applicable only to Exempt Instruments.

1.6 Exempt Instruments may be issued on a partly paid basis ("Partly Paid Instruments") if so specified in the applicable Pricing Supplement. The subscription moneys therefor shall be paid in such number of instalments ("Partly Paid Instalments") in such amounts, on such dates and in such manner as may be specified in the applicable Pricing Supplement. The first such instalment shall be due and payable on the date of issue of the Exempt Instruments. For the purposes of these Conditions, in respect of any Partly Paid Instrument, "Paid Up Amount" means the aggregate amount of all Partly Paid Instalments in respect thereof as shall have fallen due and been paid up in full in accordance with the Conditions.

Not less than 14 days nor more than 30 days prior to the due date for payment of any Partly Paid Instalment (other than the first such instalment) the Issuer shall publish a notice in accordance with Condition 18 stating the due date for payment thereof and stating that failure to pay any such Partly Paid Instalment on or prior to such date will entitle the Issuer to forfeit the Instruments with effect from such date ("Forfeiture Date") as may be specified in such notice (not being less than 14 days after the due date for payment of such Partly Paid Instalment), unless payment of the relevant Partly Paid Instalment together with any interest accrued thereon is paid prior to the Forfeiture Date. The Issuer shall procure that any Partly Paid Instalments paid in respect of any Instruments subsequent to the Forfeiture Date in respect thereof shall be returned promptly to the persons entitled thereto. The Issuer shall not be liable for any interest on any Partly Paid Instalment so returned.

Interest shall accrue on any Partly Paid Instalment which is not paid on or prior to the due date for payment thereof at the Interest Rate (in the case of non-interest bearing Instruments, at the rate applicable to overdue payments) and shall be calculated in the same manner and on the same basis as if it were interest accruing on the Instruments for the period from and including the due date for payment of the relevant Partly Paid Instalment up to but excluding the Forfeiture Date. For the purpose of the accrual of interest, any payment of any Partly Paid Instalment made after the due date for payment shall be treated as having been made on the day preceding the Forfeiture Date (whether or not a Business Day as defined in Condition 6.14).

Unless an Event of Default or a Subordinated Default Event (or an event which with the giving of notice, the lapse of time or the making or giving of any determination or certification would constitute an Event of Default or a Subordinated Default Event) shall have occurred and be continuing, on the Forfeiture Date, the Issuer shall forfeit all of the Instruments in respect of which any Partly Paid Instalment shall not have been duly paid, whereupon the Issuer shall be entitled to retain all Partly Paid Instalments previously paid in respect of such Exempt Instruments and shall be discharged from any obligation to repay such amount or to pay interest thereon.

2. Title and Transfer

2.1 Title to Instruments and Coupons passes by delivery. References herein to the "Holders" of Instruments or of Coupons are to the bearers of such Instruments or such Coupons.

2.2 This Condition 2.2 is applicable only to Exempt Instruments. In the case of Exempt Instruments, title to Receipts passes by delivery. References herein to "Holders" of Receipts are to the bearers of such Receipts.

2.3 The Holder of any Instrument or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

3. Status of the Instruments

3A Status – Unsubordinated Instruments

3A.1 This Condition 3A is applicable only in relation to Instruments specified in the applicable Final Terms as being unsubordinated or not specified as being subordinated ("Unsubordinated Instruments").

3A.2 The Unsubordinated Instruments constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Issuer which will at all times rank:

(i) *pari passu* without any preference among themselves; and

(ii) at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of the Issuer (save for such obligations as may be preferred by mandatory provisions of applicable law).

3B Status – Subordinated Instruments

3B.1 This Condition 3B is applicable only in relation to Instruments specified in the applicable Final Terms as being subordinated ("Subordinated Instruments").

3B.2 The Subordinated Instruments constitute direct, unsecured and subordinated obligations of the Issuer and rank at all times *pari passu* among themselves.

The claims of the Holders will be subordinated to the claims of Senior Creditors of the Issuer (as defined below) in that payments of principal and interest in respect of the Instruments (whether in the winding-up of the Issuer or otherwise) will be conditional upon the Issuer being solvent at the time of payment by the Issuer and in that no principal or interest shall be payable in respect of the Subordinated Instruments (whether in the winding-up of the Issuer or otherwise) except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. For this purpose, the Issuer shall be considered to be solvent if it can pay principal and interest in respect of the Subordinated Instruments and still be able to pay its outstanding debts to Senior Creditors of the Issuer which are due and payable.

"Senior Creditors of the Issuer" means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) who are subordinated creditors of the Issuer whose claims are expressed to rank in priority to the claims of the Holders (whether only in the winding-up of the Issuer or otherwise).

In the case of dissolution, liquidation, special liquidation and/or bankruptcy (as the case may be and to the extent applicable) of the Issuer, the Holders will only be paid by the Issuer after all Senior Creditors of the Issuer have been paid in full and the Holders irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Issuer in such circumstances. Such waiver constitutes a genuine contract benefitting third parties and, according to article 411 of the Greek Civil Code, or, as the case may be, any other equivalent provision of the law applicable to the Subordinated Instruments,creates rights for Senior Creditors.

3C If the applicable Final Terms specifies that this Condition 3C applies then, subject to applicable law, no Holder of any Subordinated Instruments may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Instruments or thereto, and each Holder shall, by virtue of its subscription, purchase or holding of any Subordinated Instrument, be deemed to have waived all such rights of set-off. To the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a Holder arising under or in connection with the Subordinated Instruments; and (z) any amount owed to the Issuer by such Holder, such Holder will immediately transfer such amount which is set-off to the Issuer or, in the event of its winding up or dissolution, the liquidiator, administrator or other relevant insolvency official of the Issuer, to be held on trust for the Senior Creditors of the Issuer.

4. Status of Guarantee

4A Status – Unsubordinated Guarantee

4A.1 This Condition 4A is applicable only in relation to Unsubordinated Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited.

4A.2 The obligations of the Guarantor under the Deed of Guarantee constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject to the provisions of Condition 5) and unsubordinated obligations of the Guarantor (save for such obligations as may be preferred by mandatory provisions of applicable law).

4B Status – Subordinated Guarantee

4B.1 This Condition 4B is applicable only in relation to Subordinated Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited.

4B.2 The obligations of the Guarantor under the Deed of Guarantee constitute direct, general, unconditional, subordinated and unsecured obligations of the Guarantor. All claims under the Deed of Guarantee will be subordinated to the claims of Senior Creditors of the Guarantor (as defined below) in that payments under the Deed of Guarantee (whether in the winding-up of the Guarantor or otherwise) will be conditional upon the Guarantor being solvent at the time of payment by the Guarantor and in that no amount shall be payable under the Deed of Guarantee (whether in the winding-up of the Guarantor or otherwise) except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose, the Guarantor shall be considered to be solvent if it can pay principal and interest in respect of the Instruments and still be able to pay, in accordance with the Deed of Guarantee, its outstanding debts to Senior Creditors of the Guarantor which are due and payable.

"Senior Creditors of the Guarantor" means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the Holders or other persons claiming under the Deed of Guarantee (whether only in the winding-up of the Guarantor or otherwise).

In the case of dissolution, liquidation, special liquidation and/or bankruptcy (as the case may be and to the extent applicable) of the Guarantor the Holders will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and the Holders irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor in such circumstances.

4C *No set-off*

This Condition 4C is applicable only in relation to Subordinated Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited.

If the applicable Final Terms specifies that this Condition 4C applies, then, subject to applicable law, no Holder of any Subordinated Instruments may exercise or claim any right of set-off in respect of any amount owed to it by the Guarantor arising under or in connection with the Deed of Guarantee relating thereto, and each Holder shall, by virtue of its subscription, purchase or holding of any Subordinated Instrument, be deemed to have waived all such rights of set-off. To the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Guarantor to a Holder arising under or in connection with the Deed of Guarantee; and (z) any amount owed to the Guarantor by

such Holder, such Holder will immediately transfer such amount which is set-off to the Guarantor or, in the event of its winding up or dissolution, the liquidiator, administrator or other relevant insolvency official of the Guarantor, to be held on trust for the Senior Creditors of the Guarantor.

5. Negative Pledge

This Condition 5 is applicable only to Unsubordinated Instruments and references to "Instruments" and "Holders" shall be construed accordingly.

So long as any of the Instruments remains outstanding (as defined in the Issue and Paying Agency Agreement), neither the Issuer nor the Guarantor shall create or permit to be outstanding any mortgage, charge, lien, pledge or other similar encumbrance or security interest upon the whole or any part of its undertaking or assets, present or future (including any uncalled capital), to secure any Indebtedness (as defined below) or any guarantee or indemnity given in respect of any Indebtedness, without, in the case of the creation of an encumbrance or security interest, at the same time and, in any other case, promptly according to the Holders of the Instruments an equal and rateable interest in the same or providing to the Holders of the Instruments such other security as shall be approved by an Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) of the Holders of the Instruments, save that the Issuer or the Guarantor may create or permit to subsist a security interest or like arrangement to secure Indebtedness and/or any guarantee or indemnity given in respect of Indebtedness of any person, in each case as aforesaid, (but without the obligation to accord or provide to the Holders of the Instruments either an equal and rateable interest in the same or such other security or like arrangement as aforesaid) where such security interest or like arrangement:

(i) is created pursuant to any securitisation, asset-backed financing or like arrangement in accordance with normal market practice and whereby the amount of Indebtedness secured by such security interest or in respect of which any guarantee or indemnity is secured by such security interest is limited to the value of the assets secured; or

(ii) is granted in relation to any Covered Bonds issued by the Issuer or the Guarantor.

"Covered Bond" means any bond, note, debenture or other security (however defined) designated by the Issuer and the Guarantor as a covered bond and secured on a segregated pool of assets.

"Indebtedness" means any borrowings having an original maturity of more than one year in the form of or represented by bonds, notes, debentures or other securities which, with the consent of the Issuer are, or are intended to be, listed or traded on any stock exchange, over-the-counter or other organised market for securities (whether or not initially distributed by way of private placing).

6. Interest

Interest

6.1 Instruments may be interest-bearing or non interest-bearing, as specified in the applicable Final Terms. Words and expressions appearing in this Condition 6 and not otherwise defined herein or in the applicable Final Terms shall have the meanings given to them in Condition 6.14.

Interest-bearing Instruments

6.2 Instruments which are specified in the applicable Final Terms as being interest-bearing shall bear interest from their Interest Commencement Date at the Interest Rate payable in arrear on each Interest Payment Date.

Reset Rate Instruments

6.3 If the applicable Final Terms specify the Interest Rate applicable to the Instruments as being Reset Rate, each Instrument shall bear interest:

(i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(ii) for the First Reset Period, at the rate per annum equal to the First Reset Rate of Interest; and

(iii) for each Subsequent Reset Period falling thereafter (if any) to (but excluding) the Maturity Date, at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6.13.

Reset Rate Instruments – Fallbacks

6.4 If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page as of the Relevant Time on such Reset Determination Date, the Interest Rate applicable to the relevant Instruments for each Interest Accrual Period falling in the relevant Reset Period shall be determined by the Calculation Agent on the following basis:

(i) the Calculation Agent shall request each of the Reset Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time on the Reset Determination Date in question;

(ii) if at least three of the Reset Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (x) the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 being rounded upwards) of the relevant quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) and (y) the Relevant Reset Margin, all as determined by the Calculation Agent;

(iii) if only two relevant quotations are provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (x) the arithmetic mean (rounded as aforesaid) of the relevant quotations provided and (y) the Relevant Reset Margin, all as determined by the Calculation Agent;

(iv) if only one relevant quotation is provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (x) the relevant quotation provided and (y) the Relevant Reset Margin, all as determined by the Calculation Agent; and

(v) if none of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 6.4, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) will be equal to the sum of (x) the Mid-Swap Rate determined on the last preceding Reset Determination Date and (y) the Relevant Reset Margin, or, in the case of the first Reset Determination Date, the First Reset Rate of Interest will be equal to the sum of:

(a) if Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Initial Mid-Swap Rate and (B) the Relevant Reset Margin;

(b) if Reset Period Maturity Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Reset Period Maturity Initial Mid-Swap Rate and (B) the Relevant Reset Margin; or

(c) if Last Observable Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the Relevant Reset Margin,

all as determined by the Calculation Agent.

6.5 If:

(A) Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the applicable Final Terms as being applicable; and

(B) the Calculation Agent (in consultation with the Issuer) determines that the Mid-Swap Floating Leg Benchmark Rate has ceased to be calculated or administered,

If:

(i) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner) determines no later than five Business Days prior to the Reset Determination Date relating to the next Reset Period (the "IA Mid-Swap Determination Cut-off Date") that another rate (the "Alternative Mid-Swap Floating Leg Benchmark Rate") has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Market Swap Rate; or

(ii) the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to make such determination prior to the relevant IA Mid-Swap Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) determines no later than three Business Days prior to the Reset Determination Date relating to the next Reset Period (the "Issuer Mid-Swap Determination Cut-off Date") that an Alternative Mid-Swap Floating Leg Benchmark Rate has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Market Swap Rate (and, for the purposes of making any such determination, the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets),

then the Mid-Market Swap Rate for all future Reset Periods (subject to the subsequent operation of this Condition 6.5) shall be the mean of bid and offered rates determined as

provided above but as if references therein to the Mid-Swap Floating Leg Benchmark Rate were references to the Alternative Mid-Swap Floating Leg Benchmark Rate and with such adjustments (if any) as may (in the determination of such Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner) be necessary to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the Mid-Swap Floating Leg Benchmark Rate.

Promptly following the determination of any Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 6.5, the Issuer shall give notice thereof and of any adjustments (and the effective date thereof) pursuant to this Condition 6.5 to the Issue and Paying Agent, the Calculation Agent and the Holders in accordance with Condition 18.

No consent of the Holders shall be required in connection with effecting the relevant Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 6.5 or such other relevant adjustments pursuant to this Condition 6.5, including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Issue and Paying Agency Agreement.

For the avoidance of doubt, if an Alternative Mid-Swap Floating Leg Benchmark Rate is not determined pursuant to the operation of this Condition 6.5 prior to the relevant Issuer Mid-Swap Determination Cut-off Date, then the Interest Rate for such next Reset Period shall be determined by reference to the fallback provisions of Condition 6.4.

Notwithstanding any other provision of this Condition 6.5, no Alternative Mid-Swap Floating Leg Benchmark Rate will be adopted and no other amendment to the terms of the Instruments will be made pursuant to this Condition 6.5, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Instruments as, in the case of Subordinated Instruments, Tier 2 Capital of the Bank and/or the Group.

6.6 If the applicable Final Terms specify that Mid-Swap Rate Conversion is applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted from the Original Mid-Swap Rate Basis specified hereon to a basis which matches the per annum frequency of Interest Payment Dates in respect of the relevant Instruments (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).

Floating Rate Instruments – Determination of Interest Rate

6.7 If the applicable Final Terms specify the Interest Rate applicable to the Instruments as being Floating Rate they shall also specify which page (the "Relevant Screen Page") on the Reuters Screen or any other information vending service shall be applicable. If such a page is so specified, the Interest Rate applicable to the relevant Instruments for each Interest Accrual Period shall be determined by the Calculation Agent on the following basis:

(i) the Calculation Agent will determine the offered rate for deposits (or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 being rounded upwards) of the rates for deposits) in the Specified Currency as specified in the applicable Final Terms for a period of the duration of the relevant Interest Accrual Period on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) if, on any Interest Determination Date, no such rate for deposits so appears (or, as the case may be, if fewer than two such rates for deposits so appear) or if the Relevant

Screen Page is unavailable, the Calculation Agent will request appropriate quotations and will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the Specified Currency are offered by four major banks in the London interbank market (or, in the case of Instruments denominated or payable in euro, the euro zone interbank market), selected by the Calculation Agent, at approximately the Relevant Time on the Interest Determination Date to prime banks in the relevant interbank market, for a period of the duration of the relevant Interest Accrual Period and in an amount that is representative for a single transaction in the relevant market at the relevant time;

(iii) if, on any Interest Determination Date, only two or three rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates so quoted; or

(iv) if fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates quoted by four major banks in the Relevant Financial Centre (or in such financial centre or centres within the euro zone as the Calculation Agent may select) selected by the Calculation Agent, at approximately 11.00 a.m. (Relevant Financial Centre time (or local time at such other financial centre or centres as aforesaid)) on the first day of the relevant Interest Accrual Period for loans in the relevant currency to leading European banks for a period of the duration of the relevant Interest Accrual Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Interest Rate applicable to such Instruments during each Interest Accrual Period will be the sum of the relevant margin (the "Relevant Margin") specified in the applicable Final Terms and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) so determined provided, however, that, if the Calculation Agent is unable to determine a rate (or, as the case may be, an arithmetic mean of rates) in accordance with the above provisions in relation to any Interest Accrual Period, the Interest Rate applicable to such Instruments during such Interest Accrual Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) determined in relation to such Instruments in respect of the last preceding Interest Accrual Period.

6.8 If:

(i) Reference Rate Replacement is specified in the applicable Final Terms as being applicable; and

(ii) notwithstanding the provisions of Condition 6.7, the Calculation Agent (in consultation with the Issuer) determines that the relevant reference rate of the Instruments (the "Reference Rate") has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Interest Rate (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Instruments:

(a) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine:

(A) a Successor Reference Rate; or

(B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the "IA Determination Cut-off Date"), for the purposes of determining the Interest Rate applicable to the Instruments for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 6.8 during any other future Interest Period(s));

(b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine:

(A) a Successor Reference Rate; or

(B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the "Issuer Determination Cut-off Date"), for the purposes of determining the Interest Rate applicable to the Instruments for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 6.8 during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(c) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 6.8:

(A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 6.8);

(B) if the relevant Independent Adviser or the Issuer (as applicable):

(x) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 6.8); or

(y) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 6.8); and

(C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:

(x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) the Applicable Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre, Relevant Screen Page and/or Relevant Time applicable to the Instruments and (2) the method for determining the fallback to the Interest Rate in relation to the Instruments if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

(y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable), which changes shall apply to the Instruments for all future Interest Periods (subject to the subsequent operation of this Condition 6.8),

which changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6.8); and

(d) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 6.8(c)(C) to the Issue and Paying Agent, the Calculation Agent and the Holders in accordance with Condition 18.

No consent of the Holders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) as described in this Condition 6.8 or such other relevant changes pursuant to Condition 6.8 (c)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Issue and Paying Agency Agreement.

For the avoidance of doubt, if a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 6.8 prior to the relevant Issuer Determination Cut-off Date, then the Interest Rate for the next Interest Period shall be determined by reference to the fallback provisions of Condition 6.7.

Notwithstanding any other provision of this Condition 6.8 no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Instruments will be made pursuant to this Condition 6.8, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the

qualification of the Instruments as, in the case of Subordinated Instrumentss, Tier 2 Capital of the Bank and/or the Group.

ISDA Rate Instruments — Determination of Interest Rate

6.9 If the applicable Final Terms specify the Interest Rate applicable to the Instruments as being ISDA Rate, each Instrument shall bear interest as from such date, and at such rate or in such amounts, and such interest will be payable on such dates, as would have applied (regardless of any event of default or termination event or tax event thereunder) if the Issuer had entered into an interest rate swap transaction with the Holder of such Instrument under the terms of an agreement to which the ISDA Definitions applied and under which:

– the Fixed Rate Payer, Fixed Amount Payer, Fixed Price Payer, Floating Rate Payer, Floating Amount Payer, the Floating Price Payer is the Issuer (as specified in the applicable Final Terms);

– the Effective Date is the Interest Commencement Date;

– the Termination Date is the Maturity Date;

– the Calculation Agent is the Calculation Agent as specified in the applicable Final Terms;

– the Calculation Periods are the Interest Accrual Periods;

– the Period End Dates are the Interest Period End Dates;

– the Payment Dates are the Interest Payment Dates;

– the Reset Dates are the Interest Period End Dates;

– the Calculation Amount is the principal amount of such Instrument;

– the Day Count Fraction applicable to the calculation of any amount is that specified in the applicable Final Terms or, if none is so specified, as may be determined in accordance with the ISDA Definitions;

– the Applicable Business Day Convention applicable to any date is that specified in the applicable Final Terms or, if none is so specified, as may be determined in accordance with the ISDA Definitions; and

– the other terms are as specified in the applicable Final Terms.

Maximum or Minimum Interest Rate

6.10 If any Maximum or Minimum Interest Rate is specified in the applicable Final Terms, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified.

Accrual of Interest

6.11 Interest shall accrue on the Outstanding Principal Amount of each Instrument during each Interest Accrual Period from, and including, the Interest Commencement Date. Interest will cease to accrue as from the due date for redemption therefor (or, in the case of an Instalment Exempt Instrument only, in respect of each instalment of principal, on the due date for

payment of the relevant Instalment Amount) unless upon due presentation or surrender thereof (if required), payment in full of the Redemption Amount (as defined in Condition 7.14) or (in the case of Instalment Exempt Instruments only), the relevant Instalment Amount is improperly withheld or refused or default is otherwise made in the payment thereof in which case interest shall continue to accrue on the principal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment) at the Interest Rate then applicable or such other rate as may be specified for this purpose in the applicable Final Terms until the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 18 that the Issue and Paying Agent has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

Interest Amount(s), Calculation Agent, Reference Banks and Reset Reference Banks

6.12 If a Calculation Agent is specified in the applicable Final Terms, the Calculation Agent, as soon as practicable after the Relevant Time on each Interest Determination Date or, as the case may be, Reset Determination Date (or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or, in the case of Instalment Exempt Instruments only, Instalment Amount, obtain any quote or make any determination or calculation) will determine the Interest Rateand calculate the amount(s) of interest payable (the "Interest Amount(s)") in respect of the Calculation Amount of the Instruments for the relevant Interest Accrual Period(s), calculate the Redemption Amount or, in the case of Instalment Exempt Instruments only, Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date or, as the case may be, the Redemption Amount or, in the case of Instalment Exempt Instruments only, any Instalment Amount to be notified to the Issue and Paying Agent, the Issuer, the Holders of the Instruments in accordance with Condition 18 and, if the Instruments are listed on a stock exchange and the rules of such exchange so requires, such exchange as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter or, if earlier in the case of notification to the stock exchange, no later than the first day of the relevant Interest Accrual Period. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of an Interest Accrual Period or the Interest Period. If the Instruments become due and payable under Condition 11, the Interest Rate and the accrued interest payable in respect of the Instruments shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount, Redemption Amount and, in the case of Instalment Exempt Instruments only, Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Issuer, the Guarantor and the Holders and neither the Calculation Agent nor any Reference Bank shall have any liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

The Issuer will procure that there shall at all times be such Reference Banks and/or Reset Reference Banks, as the case may be, as may be required for the purpose of determining the Interest Rate applicable to the Instruments and a Calculation Agent, if provision is made for one in the Conditions.

If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Accrual Period(s) or to calculate the Interest Amounts or any other requirements, the Issuer will appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Calculations and Adjustments

6.13 The amount of interest payable in respect of any Instrument for any period shall be calculated by multiplying the product of the Interest Rate and the Outstanding Principal Amount by the Day Count Fraction, save that if the applicable Final Terms specify a specific amount in respect of such period, the amount of interest payable in respect of such Instrument for such period will be equal to such specified amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in the applicable Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

Definitions

6.14 "Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or

(iii) if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

"Alternative Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate.

"Applicable Business Day Convention" means the "Business Day Convention" which may be specified in the applicable Final Terms as applicable to any date in respect of the Instruments. Where the applicable Final Terms specify "No Adjustment" in relation to any date, such date shall not be adjusted in accordance with any Business Day Convention. Where the applicable Final Terms fail either to specify an applicable Business Day Convention or "No Adjustment" for the purposes of an Interest Payment Date or an Interest Period End Date, then in the case of Instruments which bear interest at a fixed rate, "No Adjustment" shall be deemed to have been so specified and in the case of Instruments which bear interest at a floating rate, the Modified Following Business Day Convention shall be deemed to have been so specified. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates, Interest Period End Dates and any other date or dates in respect of any Instruments.

"Banking Day" means, in respect of any city, any day (other than Saturdays and Sundays) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in that city.

"Business Day" means a day (other than a Saturday or Sunday):

(i) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

(ii) in relation to Instruments denominated or payable in euro, on which the TARGET2 System is operating; and

(iii) in relation to Instruments payable in any other currency, on which commercial banks and foreign exchange markets settle payments and are open for general business in the Relevant Financial Centre in respect of the relevant currency.

"Business Day Convention" means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the applicable Final Terms in relation to any date applicable to any Instruments, shall have the following meanings:

(i) "Following Business Day Convention" means that such date shall be postponed to the first following day that is a Business Day;

(ii) "Modified Following Business Day Convention" or "Modified Business Day Convention" means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "Preceding Business Day Convention" means that such date shall be brought forward to the first preceding day that is a Business Day; and

(iv) "FRN Convention" or "Eurodollar Convention" means that each such date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Final Terms after the calendar month in which the preceding such date occurred, provided that

(a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred.

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time ("Calculation Period"), such day count fraction as may be specified in the applicable Final Terms and

(i) if "Actual/Actual (ICMA)" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and

(B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year;

(ii) if "Actual/Actual" or "Actual/Actual (ISDA)" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "Actual/365 (Fixed)" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "Actual/360" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "30/360", "360/360" or "Bond Basis" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(vi) if "30E/360" or "Eurobond Basis" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(vii) if "30E/360 (ISDA)" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

"euro zone" means the zone comprising the Member States of the European Union which adopt or have adopted the euro as their lawful currency in accordance with the Treaty.

"First Reset Period" means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified hereon, the Maturity Date.

"First Reset Rate of Interest" means, in respect of the First Reset Period, and subject to Condition 6.4 and Condition 6.5, the Interest Rate determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Reset Margin.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Interest Accrual Period" means, in respect of an Interest Period, each successive period beginning on, and including, an Interest Period End Date and ending on, but excluding, the next succeeding Interest Period End Date during that Interest Period provided always that the first Interest Accrual Period shall commence on and include the Interest Commencement Date.

"Interest Commencement Date" means the date of issue of the Instruments (as specified in the applicable Final Terms) or such other date as may be specified as such in the Final Terms.

"Interest Determination Date" means, in respect of any Interest Accrual Period, the date falling such number (if any) of Banking Days in such city(ies) as may be specified in the applicable Final Terms prior to the first day of such Interest Accrual Period, or if none is specified:

(i) in the case of instruments denominated or payable in euro, the date falling two TARGET Business Days prior to the first day of such Interest Accrual Period; and

(ii) in any other case, the date falling two London Banking Days prior to the first day of such Interest Accrual Period.

"Interest Payment Date" means the date or dates specified as such in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms and, if an Applicable Business Day Convention is specified in the applicable Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the applicable Final Terms as being the Interest Period, each of such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the date of issue of the Instruments (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"Interest Period" means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided always that the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the date of final maturity.

"Interest Period End Date" means the date or dates specified as such in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms and, if an Applicable Business Day Convention is specified in the applicable Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or, if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the applicable Final Terms as the Interest Accrual Period, such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the Interest Commencement Date (in the case of the first Interest Period End Date) or the previous Interest Period End Date (in any other case) or, if none of the foregoing is specified in the applicable Final Terms, means the date or each of the dates which correspond with the Interest Payment Date(s) in respect of the Instruments.

"Interest Rate" means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the Instruments specified in, or, in the case of Exempt Instruments only, calculated or determined in accordance with the provisions of, the applicable Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions as amended and updated as at the date of issue of the first Tranche of the Instruments of the relevant Series (as specified in the applicable Final Terms) as published by the International Swaps and Derivatives Association, Inc.

"Mid-Market Swap Rate" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Original Mid-Swap Rate Basis (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap

transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

"Mid-Market Swap Rate Quotation" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate.

"Mid-Market Swap Floating Leg Benchmark Rate" means, subject as provided in Condition 6.5, EURIBOR (if the Specified Currency is euro) or LIBOR for the Specified Currency (if the Specified Currency is U.S. dollars, Pounds Sterling or Swiss Francs) or (in the case of any other Specified Currency) the benchmark rate most closely connected with such Specified Currency and selected by the Calculation Agent in its discretion after consultation with the Issuer.

"Mid-Swap Rate" means, in relation to a Reset Determination Date and subject to Condition 6.4, either:

(i) if Single Mid-Swap Rate is specified as applicable in the Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified hereon, the arithmetic mean (expressed as a percentage per annum and rounded, if necessary, to the nearest ten thousandth of a percentage point (0.00005 being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date;

which appears on the Relevant Screen Page,

in either case, as at approximately the Relevant Time on such Reset Determination Date, all as determined by the Calculation Agent.

"Original Mid-Swap Rate Basis" means the basis reference period specified in the applicable Final Terms. In the case of Instruments other than Exempt Instruments, the Original Mid-Swap Rate Basis shall be annual, semi-annual, quarterly or monthly.

"Outstanding Principal Amount" means, in respect of an Instrument, its principal amount less, in respect of any Instalment Exempt Instrument, any principal amount on which interest shall have ceased to accrue in accordance with Condition 6.11 or, in the case of a Partly Paid Instrument, the Paid Up Amount of such Exempt Instrument or otherwise as indicated in the applicable Pricing Supplement except that the Paid Up Amount shall be deemed to be nil for Exempt Instruments which have been forfeited by the Issuer on or after the Forfeiture Date as provided for in Condition 1.6.

"Reference Banks" means such banks as may be specified in the applicable Final Terms as the Reference Banks or, if none are specified, "Reference Banks" has the meaning given in the ISDA Definitions, *mutatis mutandis*.

"Regular Period" means:

(i) in the case of Instruments where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Instruments where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Instruments where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"Relevant Financial Centre" means (i) in the case of a rate at which deposits are offered in the London interbank market, London or (ii) in the case of a rate at which deposits are offered in the euro zone interbank market, Brussels or, in the case of Exempt Instruments, such other financial centre or centres as may be specified in the applicable Pricing Supplement.

"Relevant Nominating Body" means, in respect of a reference rate:

(i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

"Relevant Reset Margin" means, in respect of a Reset Period, whichever of the First Reset Margin or the Subsequent Reset Margin is applicable for the purpose of determining the Interest Rate in respect of such Reset Period.

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms or any successor or replacement page, section, caption, column or other part of a particular information service.

"Relevant Time" means 11:00 a.m. in the Relevant Financial Centre, or, in the case of Exempt Instruments, such other time as may be specified in the applicable Pricing Supplement.

"Reset Date" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable).

"Reset Period" means the First Reset Period or a Subsequent Reset Period, as the case may be.

"Reset Reference Banks" means the principal office in the principal financial centre of the Specified Currency of five major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Calculation Agent in its discretion after consultation with the Issuer.

"Reuters Screen" means, when used in connection with a designated page and any designated information, the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying such information).

"Subsequent Reset Period" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date, as the case may be.

"Subsequent Reset Rate of Interest" means in respect of any Subsequent Reset Period and subject to Condition 6.4 and 6.5, the Interest Rate determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Reset Margin.

"Successor Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of theReference Rate which is formally recommended by any Relevant Nominating Body.

"TARGET2 System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

"TARGET Business Day" means a day on which the TARGET2 System is operating.

"Treaty" means the Treaty on the Functioning of the European Union, as amended.

Non-Interest Bearing Instruments

6.15 If any Redemption Amount (as defined in Condition 7.14) or, in the case of Instalment Exempt Instruments only, Instalment Amount (as defined in Condition 7.1) in respect of any Instrument which is non-interest bearing is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Amortisation Yield specified in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms or at such other rate as may be specified for this purpose in the applicable Final Terms until the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 18 that the Issue and Paying Agent has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder). The amount of any such interest shall be calculated in accordance with the provisions of Condition 6.13 as if the Interest Rate was the Amortisation Yield, the Outstanding Principal Amount was the overdue sum and the Day

Count Fraction was as specified for this purpose in the applicable Final Terms or, if not so specified, 30E/360 (as defined in Condition 6.14).

Index Linked Interest Instruments

This Condition 6.16 is applicable only to Exempt Instruments.

6.16 If the Instruments are Exempt Instruments and specified in the applicable Pricing Supplement as being Index Linked Interest Instruments, the provisions relating to the computation of interest for such Exempt Instruments will be set out in the applicable Pricing Supplement and the provisions of this Condition 6 will be subject to Condition 8.

Equity Linked Interest Instruments

This Condition 6.17 is applicable only to Exempt Instruments.

6.17 If the Instruments are Exempt Instruments and specified in the applicable Pricing Supplement as being Equity Linked Interest Instruments, the provisions relating to the computation of interest for such Exempt Instruments will be set out in the applicable Pricing Supplement and the provisions of this Condition 6 will be subject to Condition 9.

7. Redemption and Purchase

Redemption at Maturity

7.1 Except in the case of Exempt Instruments which are Index Linked Redemption Instruments (in relation to which Condition 8.1 applies) and Exempt Instruments which are Equity Linked Redemption Instruments (in relation to which Condition 9.1 applies), unless previously redeemed, or purchased and cancelled or unless such Instrument is stated in the applicable Final Terms as having no fixed maturity date, each Instrument shall be redeemed at its maturity redemption amount (the "Maturity Redemption Amount") being (i) in the case of PD Instruments, at its Outstanding Principal Amount, (ii) in the case of Exempt Instruments, at its Outstanding Principal Amount or such other redemption amount as may be specified in or determined in accordance with the applicable Pricing Supplement on the Maturity Date or (iii), in the case of Instalment Exempt Instruments, in such number of instalments and in such amounts ("Instalment Amounts") as may be specified in, or determined in accordance with the provisions of, the applicable Pricing Supplement on the dates specified in the applicable Pricing Supplement.

Early Redemption for Taxation Reasons

7.2 If, in relation to any Series of Instruments as a result of any change in the laws, regulations or rulings of:

(x) in respect of sub-paragraphs (i) or (ii) below, the Taxing Jurisdiction of the Issuer or, as the case may be, the Guarantor; or

(y) in respect of subparagraph (iii) below, the Taxing Jurisdiction of the Guarantor,

or, in each case, of any political subdivision thereof or any authority or agency therein or thereof having power to tax or any change in the application or official interpretation or administration of any such laws, regulations or rulings which change becomes effective on or after the date on which agreement is reached to issue the first Tranche of such Instruments,

(i) the Issuer would be required to pay additional amounts as provided in Condition 12 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts;

(ii) (in the case of Subordinated Instruments only) interest payments under or with respect to the Subordinated Instruments are no longer (partly or fully) deductible for tax purposes in the relevant Taxing Jurisdiction; or

(iii) (in the case of Instruments issued by ERB Hellas PLC only) if a Proceeds On-Loan Tax Call is specified as being applicable in the applicable Final Terms and the Guarantor is required to make any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf the Taxing Jurisdiction of the Guarantor, in respect of any amounts of principal, premium and interest in respect of any Proceeds On-Loan (as defined below) payable by or on behalf of the Guarantor,

the Issuer may, at its option (but, in the case of Subordinated Instruments, subject to Condition 7.11), and having given no less than thirty nor more than sixty days' notice (ending, in the case of Instruments which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of the Instruments in accordance with Condition 18 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Instruments comprising the relevant Series at their early tax redemption amount (the "Early Redemption Amount (Tax)") (which shall be their Outstanding Principal Amount or, in the case of Instruments which are non-interest bearing, their Amortised Face Amount (as defined in Condition 7.15) or such other redemption amount as may be specified in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms), together with accrued interest (if any) thereon provided, however, that, in the case of redemption pursuant to subparagraph (i) above, no such notice of redemption may be given earlier than 90 days (or, in the case of Instruments which bear interest at a floating rate, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to the Instruments plus 60 days) prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Instruments then due.

In the case of Subordinated Instruments only, any redemption of the Instruments in accordance with this Condition 7.2 is subject, in each case, to the Issuer demonstrating to the satisfaction of the Relevant Regulator that such change in tax treatment of the Instruments is material and was not reasonably foreseeable at the time of their issuance.

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 7.7.

"Proceeds On-Loan" means any loan made by ERB Hellas PLC to the Guarantor with all (or substantially all) of the net proceeds of the Instruments.

"Taxing Jurisdiction" means, in the case of ERB Hellas PLC, the United Kingdom, in the case of ERB Hellas (Cayman Islands) Limited, the Cayman Islands, in the case of the Bank, the Hellenic Republic and, in the case of the Guarantor, the Hellenic Republic.

Redemption following the occurrence of a Capital Disqualification Event

7.3 This Condition 7.3 is applicable only in relation to Subordinated Instruments and references to "Instruments" and "Holders" shall be construed accordingly.

If this Condition 7.3 is specified in the applicable Final Terms as being applicable, then if a Capital Disqualification Event has occurred and is continuing, the Issuer may (subject to Condition 7.11), at its option having given no less than thirty nor more than sixty days' notice to the Holders of the Instruments in accordance with Condition 18 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Instruments comprising the relevant Series at their early capital disqualification event redemption amount ("Early Redemption Amount (Capital Disqualification Event)"), together with accrued interest (if any) thereon on the date specified in such notice.

"BRRD" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time.

A "Capital Disqualification Event" will occur if at any time, on or after the Issue Date of the last tranche of the relevant Series of Instruments, there is a change in the regulatory classification of such Instruments that results or would be likely to result in (i) the exclusion of such Instruments in whole or, to the extent not prohibited by the Capital Regulations, in part from the Tier 2 Capital of the Bank and/or the Group; and/or (ii) their reclassification, in whole or, to the extent not prohibited by the Capital Regulations, in part, as a lower quality form of regulatory capital of the Bank and/or the Group, in each case other than where such exclusion or reclassification is only the result of any applicable limitation on such capital and provided (x) the Relevant Regulator considers that such change in the regulatory classification of such Instruments is sufficiently certain and (y) the Bank demonstrates to the satisfaction of the the Relevant Regulator that such change in the regulatory reclassification of such Instruments was not reasonably foreseeable at the time of their issuance.

"Capital Regulations" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency applicable to the Bank including, without limitation to the generality of the foregoing, the BRRD, CRD IV and those regulations, requirements, guidelines and policies of the Relevant Regulator relating to capital adequacy, resolution and/or solvency then in effect in the Hellenic Republic (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Bank and/or the Group).

"CRD IV" means any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures, all as amended or supplemented.

"CRD IV Directive" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended or replaced from time to time.

"CRD IV Implementing Measures" means any regulatory capital rules implementing the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Relevant Regulator, the European Banking Authority or any other relevant authority, which are applicable to the Bank (on a stand-alone basis) or the Group (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Bank (on a stand-alone or consolidated basis).

"CRR" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended or replaced from time to time.

"Group" means the Bank and its subsidiaries and subsidiary undertakings from time to time.

"Relevant Regulator" means the European Central Bank or such other body or authority having primary supervisory authority with respect to the Bank and/or the Group.

"Tier 2 Capital" has the meaning given to it by the Relevant Regulator from time to time.

Optional Early Redemption (Call)

7.4 If this Condition 7.4 is specified in the applicable Final Terms as being applicable, then the Issuer may, subject, in the case of Subordinated Instruments to Condition 7.11, having given the appropriate notice, and subject to such conditions as may be specified in the applicable Final Terms, redeem all (but not, unless and to the extent that the applicable Final Terms specify otherwise, some only) of the Instruments of the relevant Series at their call early redemption amount (the "Early Redemption Amount (Call)") (which shall be their Outstanding Principal Amount or, in the case of Instruments which are non-interest bearing, their Amortised Face Amount (as defined in Condition 7.15) or such other redemption amount as may be specified in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms), together with accrued interest (if any) thereon on the date specified in such notice.

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 7.7.

7.5 The appropriate notice referred to in Condition 7.4 is a notice given by the Issuer to the Holders of the Instruments of the relevant Series in accordance with Condition 18, which notice shall be irrevocable and shall specify

– the Series of Instruments subject to redemption;

– whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and (except in the case of a Temporary Global Instrument or Permanent Global Instrument) the serial numbers of the Instruments of the relevant Series which are to be redeemed;

– the due date for such redemption, which shall be not less than thirty days nor more than sixty days after the date on which such notice is given and which shall be such date or the next of such dates ("Call Option Date(s)") or a day falling within such period ("Call Option Period"), as may be specified in the applicable Final Terms and which is, in the case of Instruments which bear interest at a floating rate, a date upon which interest is payable; and

– the Early Redemption Amount (Call) at which such Instruments are to be redeemed.

Partial Redemption

7.6 If the Instruments of a Series are to be redeemed in part only on any date in accordance with Condition 7.4, the Instruments to be redeemed shall be not less than the Minimum Redemption Amount (if any) or not more than the Maximum Redemption Amount (if any), both as indicated in the applicable Final Terms and shall be drawn by lot in such European

city as the Issue and Paying Agent may specify, or identified in such other manner or in such other place as the Issue and Paying Agent may approve and deem appropriate and fair, subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Instruments may be listed.

A list of the Instruments called for redemption will be published in accordance with Condition 18 not less than fifteen days prior to the date fixed for redemption.

Optional Early Redemption (Put)

7.7 This Condition 7.7 is applicable only to Unsubordinated Instruments.

If this Condition 7.7 is specified in the applicable Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Instrument of the relevant Series, redeem such Instrument on the date specified in the relevant Put Notice (as defined below) at its put early redemption amount (the "Early Redemption Amount (Put)") (which shall be its Outstanding Principal Amount or, if such Instrument is non-interest bearing, its Amortised Face Amount (as defined in Condition 7.15) or such other redemption amount as may be specified in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms), together with accrued interest (if any) thereon. In order to exercise such option, the Holder must, not less than forty-five days before the date on which such redemption is required to be made as specified in the Put Notice (which date shall be such date or the next of the dates ("Put Date(s)") or a day falling within such period ("Put Period") as may be specified in the applicable Final Terms), deposit the relevant Instrument (together, in the case of an interest-bearing Instrument, with all unmatured Coupons appertaining thereto other than any Coupon maturing on or before the date of redemption (failing which the provisions of Condition 13A.6 apply)) during normal business hours at the specified office of any Paying Agent together with a duly completed early redemption notice ("Put Notice") in the form which is available from the specified office of any of the Paying Agents. No Instrument so deposited and option exercised may be withdrawn (except as provided in the Issue and Paying Agency Agreement).

The holder of an Instrument may not exercise such option in respect of any Instrument which is (a) the subject of an exercise by the Issuer of its option to redeem such Instrument under either Condition 7.2 or 7.4 or (b) a Subordinated Instrument.

Purchase of Instruments

7.8 The Issuer, the Guarantor and any of the Bank's subsidiaries may (but, in the case of Subordinated Instruments, subject to Condition 7.11) purchase Instruments in the open market or otherwise and at any price provided that all unmatured Coupons and, in the case of Exempt Instruments only, Receipts appertaining thereto are purchased therewith. Such Instruments may be held, reissued or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent for cancellation.

Cancellation of Redeemed and Purchased Instruments

7.9 All unmatured Instruments and Coupons and unexchanged Talons redeemed or purchased and surrendered to any Paying Agent for cancellation will be cancelled forthwith and may not be reissued or resold.

Illegality

7.10 In the event that the Issuer determines that the performance of the Issuer's obligations under the Instruments or the Guarantor's obligations in respect thereof under the Deed of

Guarantee has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than 10 nor more than 30 days' notice to Holders in accordance with Condition 18 (which notice shall be irrevocable), may, on expiry of such notice redeem all (but not some only) of the Instruments, each Calculation Amount (as set out in the applicable Final Terms) being redeemed at the Early Termination Amount (as defined below) together with all interest (if any) accrued thereon.

Conditions to Redemption and Purchase of Subordinated Instruments

7.11 Any redemption or purchase of Subordinated Instruments in accordance with Conditions 7.2, 7.3, 7.4 or 7.8 above is subject to:

(i) the Bank giving notice to the Relevant Regulator and the Relevant Regulator granting permission to redeem or purchase the relevant Subordinated Instruments (in each case to the extent, and in the manner, required by the Capital Regulations); and

(ii) compliance by the Issuer with any alternative or additional pre-conditions to redemption or purchase, as applicable, set out in the Capital Regulations, for the time being.

To the extent required by the Capital Regulations, any modification (other than any modification which is made to correct a manifest error) of these Conditions, the Deed of Covenant, the Deed of Guarantee or the Subordinated Instruments (as the case may be), or substitution of the Issuer as principal debtor under the Coupons, the Deed of Covenant, the Issue and Paying Agency Agreement, (to the extent applicable) the Bank Holders' Agency Agreement or the Subordinated Instruments (as the case may be), in each case pursuant to Condition 15 and/or 21 (as the case may be), will only be permitted if the Bank has first given notice to the Relevant Regulator of such modification or substitution (as the case may be), and the Relevant Regulator has not objected to such modification or substitution (as the case may be).

For the avoidance of doubt, the Capital Regulations currently include the requirements outlined in Articles 77 and 78(4) of the CRR.

Autocallable Instruments

This Condition 7.12 is applicable only to Exempt Instruments.

7.12 If Autocall is specified as applying in the applicable Pricing Supplement, unless previously redeemed or purchased and cancelled, upon the occurrence of an Autocall Event (as set out in the applicable Pricing Supplement), each nominal amount of the Instruments equal to the Calculation Amount set out in the applicable Pricing Supplement will be redeemed by the Issuer at the Autocall Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement on the Autocall Redemption Date.

If the Exempt Instruments are to be so redeemed, the Issuer will give notice to the Holders of the Exempt Instruments in accordance with Condition 18 as soon as practicable after the Autocall Event has been determined.

Further Provisions applicable to Redemption Amount and Instalment Amounts

7.13 The provisions of Condition 6.12 and the last paragraph of Condition 6.13 shall apply to any determination or calculation of the Redemption Amount or, in the case of Instalment Exempt Instruments only, any Instalment Amount required by the applicable Final Terms to be made by the Calculation Agent.

7.14 References herein to "Redemption Amount" shall mean, as appropriate, the Maturity Redemption Amount, the final Instalment Amount (in the case of Instalment Exempt Instruments only), the Early Redemption Amount (Tax), the Early Redemption Amount (Call), the Early Redemption Amount (Capital Disqualification Event), the Early Redemption Amount (Put) and the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or, in the case of Exempt Instruments only, determined in accordance with the provisions of, the applicable Final Terms.

7.15 In the case of any Instrument which is non-interest bearing, the "Amortised Face Amount" shall be an amount equal to the sum of:

(i) the Issue Price specified in the applicable Final Terms; and

(ii) the product of the Amortisation Yield (compounded annually) being applied to the Issue Price from (and including) the Issue Date specified in the applicable Final Terms to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction (as defined in Condition 6.14) specified in the applicable Final Terms for the purposes of this Condition 7.15.

7.16 In the case of any Instrument which is non-interest bearing, if any Redemption Amount (other than the Maturity Redemption Amount) is improperly withheld or refused or default is otherwise made in the payment thereof, the Amortised Face Amount shall be calculated as provided in Condition 7.15 but as if references in subparagraph (ii) to the date fixed for redemption or the date upon which such Instrument becomes due and repayable were replaced by references to the earlier of:

(i) the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made; and

(ii) (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 18 of that circumstance (except to the extent that there is a failure in the subsequent payment thereof to the relevant Holder).

8. Index Linked Instruments

This Condition 8 is applicable only to Exempt Instruments.

If an Exempt Instrument is specified as an Index Linked Interest Instrument and/or Index Linked Redemption Instrument in the applicable Pricing Supplement then the provisions of this Condition 8 apply, as applicable, as modified by the applicable Pricing Supplement.

Redemption at Maturity of Exempt Instruments that are Index Linked Redemption Instruments

8.1 Unless previously redeemed or purchased and cancelled, each nominal amount of the Index Linked Redemption Instruments equal to the Calculation Amount set out in the applicable Pricing Supplement will be redeemed by the Issuer at the Maturity Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement on the Maturity Date.

Adjustments to an Index

8.2 (i) Successor Index Sponsor Calculates and Reports an Index

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (a "Successor Index Sponsor") acceptable to the Calculation Agent or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then, in each case, that index (the "Successor Index") will be deemed to be the Index.

(ii) Modification and Cessation of Calculation of an Index

If (a) on or prior to a Valuation Date or an Averaging Date the relevant Index Sponsor or, if applicable, the relevant Successor Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation, contracts or commodities and other routine events) (an "Index Modification") or permanently cancels the Index and no Successor Index exists (an "Index Cancellation"), or (b) on a Valuation Date or an Averaging Date the relevant Index Sponsor or, if applicable, the relevant Successor Index Sponsor fails to calculate and announce a relevant Index (an "Index Disruption" and, together with an Index Modification and an Index Cancellation, each an "Index Adjustment Event"), then the Issuer may take the action described in (A) or (B) below:

(A) in relation to any day on which the Calculation Agent is required to determine the Reference Price for such Index for such day, require the Calculation Agent to (x) determine if such Index Adjustment Event has a material effect on the Instruments and, if so, to calculate the Reference Price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation but using only those securities/commodities that comprised that Index immediately prior to that Index Adjustment Event or (y) substitute the relevant Index with a replacement index using the same or a substantially similar method of calculation as used in the calculation of the relevant Index and the Calculation Agent shall determine the appropriate adjustment, if any, to be made to any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement to account for such substitution;

(B) give notice to the Holders in accordance with Condition 18 and redeem all (but not some only) of the Instruments, each Calculation Amount being redeemed at the Early Termination Amount.

(iii) Notice

Upon the occurrence of an Index Adjustment Event, the Issuer shall give notice as soon as practicable to Holders in accordance with Condition 18 giving details of the action proposed to be taken in relation thereto.

Correction of an Index

8.3 If Correction of Index Levels is specified as applying in the applicable Pricing Supplement and the level of an Index published on a Valuation Date or an Averaging Date used to determine the relevant Interest Amount and/or Maturity Redemption Amount, as the case may be, is subsequently corrected and the correction (the "Corrected Index Level") is published by the Index Sponsor or (if applicable) the Successor Index Sponsor prior to the Correction Cut-Off Date specified in the applicable Pricing Supplement, then such Corrected Index Level shall be deemed to be the level for such Index for such Valuation Date or such Averaging Date, as the case may be, and the Calculation Agent shall use such Corrected Index Level in determining the relevant Interest Amount and/or the Maturity Redemption Amount, as the case may be.

Definitions applicable to Exempt Instruments that are Index Linked Instruments

8.4 "Averaging Date" means each date specified as an Averaging Date in the applicable Pricing Supplement or (if any such date is not a Scheduled Trading Day) the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(i) if "Omission" is specified in the applicable Pricing Supplement as applying, then such date will be deemed not to be an Averaging Date provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(ii) if "Postponement" is specified in the applicable Pricing Supplement as applying, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(iii) if "Modified Postponement" is specified in the applicable Pricing Supplement as applying:

(a) where the Exempt Instruments relate to a single Index, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether the eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the

relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (i)(b) of the definition of "Valuation Date" below; and

(b) where the Exempt Instruments relate to a Basket of Indices, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "Scheduled Averaging Date") and the Averaging Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Index, and (B) the Calculation Agent shall determine the relevant level, price or amount for such Averaging Date in accordance with sub-paragraph (ii)(b) of the definition of "Valuation Date" below.

If the applicable Pricing Supplement specifies a number of Averaging Roll Days (other than eight), references in this definition of "Averaging Date" to "eighth Scheduled Trading Day" (and related references) shall be construed with reference to such number of Averaging Roll Days.

"Disrupted Day" means (i) where the relevant Index is specified in the applicable Pricing Supplement as not being a Multi-Exchange Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred or (ii) where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any Scheduled Trading Day on which (a) the relevant Index Sponsor fails to publish the level of the Index, (b) any Related Exchange fails to open for trading during its regular trading session or (c) a Market Disruption Event has occurred.

"Early Closure" means the closure on any Exchange Business Day of the Exchange in respect of any Component Security or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the case may be, at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

"Exchange" means:

(i) where the relevant Index is specified in the applicable Pricing Supplement as not being a Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities/commodities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities/commodities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); and

(ii) where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, in relation to each component security of that Index (each a "Component Security"), the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent.

"Exchange Business Day" means either (i) where the relevant Index is specified in the applicable Pricing Supplement as not being a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and each Related Exchange is open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time or (ii) where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any Scheduled Trading Day on which (a) the Index Sponsor publishes the level of the Index and (b) each Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on any Related Exchange.

"Indices" and "Index" mean, subject to adjustment in accordance with Condition 8.2, the indices or index specified in the applicable Pricing Supplement and related expressions shall be construed accordingly.

"Index Sponsor" means, in relation to an Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Pricing Supplement.

"Market Disruption Event" means, in respect of an Index:

(i) where such Index is specified in the applicable Pricing Supplement as not being a Multi-Exchange Index:

(a) the occurrence or existence at any time during the one hour period that ends at the relevant Valuation Time:

(A) of any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange, or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:

(x) on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or

(y) in futures or options contracts relating to the relevant Index on any relevant Related Exchange; or

(B) of any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (I) to effect transactions in, or obtain market values for, on any relevant Exchange(s), securities that comprise 20

per cent. or more of the level of the relevant Index, or (II) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange; or

(b) the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities/commodities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or, if earlier, (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material; or

(ii) where such Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, in respect of a Component Security included in such Index either:

(a) (i) the occurrence or existence, in respect of any Component Security, of:

(A) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange in respect of such Component Security;

(B) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange in respect of such Component Security; or

(C) an Early Closure in respect of such Component Security, which the Calculation Agent determines is material; and

(ii) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; or

(b) the occurrence or existence, in respect of futures or options contracts relating to the Index, of:

(A) a Trading Disruption at any time during the one hour period that ends at the Valuation Time in respect of any Related Exchange;

(B) an Exchange Disruption at any time during the one hour period that ends at the Valuation Time in respect of any Related Exchange; or

(C) an Early Closure,

in each case in respect of such futures or options contracts and which the Calculation Agent determines is material.

For the purpose of determining whether a Market Disruption Event exists in relation to an Index or in respect of a Component Security at any time, if an event giving rise to a Market Disruption Event occurs in respect of a security included in the Index or such Component Security at that time, then the relevant percentage contribution of that security or Component Security, as the case may be, to the level of that Index shall be based on a comparison of (x) the portion of the level of that Index attributable to that security or Component Security, as the case may be, and (y) the overall level of that Index, in each case either (a) except where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, immediately before the occurrence of such Market Disruption Event or (b) where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date or an Averaging Date. Without limiting the obligation of the Issuer to give notice to the Holders as set forth in the preceding sentence, failure by the Issuer to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

"Reference Price" means:

(i) where the Exempt Instruments are specified in the applicable Pricing Supplement to relate to a single Index, an amount equal to the official closing level of the Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the applicable Pricing Supplement, the level of the Index determined by the Calculation Agent at such Valuation Time) on (a) if Valuation Dates are specified in the applicable Pricing Supplement, a Valuation Date (as defined below) or (b) if Averaging Dates are specified in the applicable Pricing Supplement, an Averaging Date and, in either case, if specified in the applicable Pricing Supplement, without regard to any subsequently published correction; and

(ii) where the Exempt Instruments are specified in the applicable Pricing Supplement to relate to a Basket of Indices, an amount equal to the sum of the values calculated for each Index as the official closing level of each Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the applicable Pricing Supplement, the level of the Index determined by the Calculation Agent at such Valuation Time) on (a) if Valuation Dates are specified in the applicable Pricing Supplement, a Valuation Date or (b) if Averaging Dates are specified in the applicable Pricing Supplement, an Averaging Date and, in either case, if specified in the applicable Pricing Supplement, without regard to any subsequently published correction, multiplied by the relevant Multiplier specified in the applicable Pricing Supplement.

"Related Exchange" means, in relation to an Index, each exchange or quotation system specified as such for such Index in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Pricing Supplement, "Related Exchange" shall mean each exchange or quotation system where trading has a

material effect (as determined by the Calculation Agent) on the overall market for futures or option contracts relating to such Index.

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"Scheduled Trading Day" means (i) where the relevant Index is specified in the applicable Pricing Supplement as not being a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions or (ii) where the relevant Index is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, (a) any day on which the Index Sponsor is scheduled to publish the level of that Index and (b) each Related Exchange is scheduled to be open for trading for its regular trading session.

"Scheduled Valuation Date" means, in relation to a Valuation Date, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date.

"Strike Price" means the price or prices specified in the applicable Pricing Supplement.

"Trading Disruption" means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange, as the case may be, or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on any Related Exchange.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

"Valuation Date" means the date or, in the case of Index Linked Interest Instruments, each date specified as such in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day then:

(i) where the Exempt Instruments are specified in the applicable Pricing Supplement to relate to a single Index, that Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (a) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Calculation Agent shall determine the Reference Price in the manner set out in the applicable Pricing Supplement or, if not set out or not practicable, determine the Reference Price by determining the level of the Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security/commodity comprised in the Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day, its estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day); or

(ii) where the Exempt Instruments are specified in the applicable Pricing Supplement to relate to a Basket of Indices, that Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and that Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an "Affected Index") shall be the next following Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case, (a) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day and (b) the Calculation Agent shall determine the Reference Price using, in relation to the Affected Index, the level of that Index determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security/commodity comprised in that Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day, its estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day).

If the applicable Pricing Supplement specifies a number of Valuation Roll Days (other than eight), references in this definition of "Valuation Date" to "eight Scheduled Trading Days" and "eighth Scheduled Trading Day" (and related references) shall be construed with reference to such number of Valuation Roll Days.

"Valuation Time" means:

(i) in respect of each Index specified in the applicable Pricing Supplement as not being a Multi-Exchange Index, the Valuation Time specified in the applicable Pricing Supplement or if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the case may be, in relation to such Index. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or

(ii) in respect of each Index specified in the applicable Pricing Supplement as being a Multi-Exchange Index, (a) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of a Component Security, the Scheduled Closing Time on the relevant Exchange and (y) in respect of any options contracts or futures contracts on the relevant Index, the close of trading on the relevant Related Exchange, and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor. If, for the purposes of (a) above, the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

9. Equity Linked Instruments

This Condition 9 is applicable only to Exempt Instruments.

If an Exempt Instrument is specified as an Equity Linked Interest Instrument and/or Equity Linked Redemption Instrument in the applicable Pricing Supplement then the provisions of this Condition 9 apply, as applicable, as modified by the applicable Pricing Supplement.

Redemption at Maturity of Exempt Instruments that are Equity Linked Redemption Instruments

9.1 Unless previously redeemed or purchased and cancelled, each nominal amount of Equity Linked Redemption Instruments equal to the Calculation Amount set out in the applicable Pricing Supplement will be redeemed by the Issuer by payment of the Maturity Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement on the Maturity Date.

Potential Adjustment Events, De-listing, Merger Event, Nationalisation and Insolvency, Tender Offer, Adjustments for Equity Linked Instruments in respect of Underlying Equities quoted in European Currencies and Correction of Underlying Equity Prices

9.2 (i) If Potential Adjustment Events are specified in the applicable Pricing Supplement (as applicable), then following the declaration by an Equity Issuer of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative or other effect on the theoretical value of the Underlying Equities and, if so, will (a) make the corresponding adjustment, if any, to any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines appropriate to account for that diluting or concentrative or other effect (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Equity) including, if "Equity Substitution" is specified as applying in the applicable Pricing Supplement, the substitution of the Underlying Equity (the "Substituted Equity") the subject of the Potential Adjustment Event by an equity security selected by the Calculation Agent from the Reference Index (the "New Equity") and (b) determine the effective date of that adjustment. If "Equity Substitution" is specified as applying in the applicable Pricing Supplement, and the Calculation Agent selects a New Equity in substitution for the Substituted Equity, the Issuer shall require the Calculation Agent to make such other adjustments to these Conditions and/or the applicable Pricing Supplement as it deems appropriate. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Underlying Equities traded on that options exchange.

In making any determination in respect of any such adjustment, the Calculation Agent shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such determination for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and no Holder shall be entitled to claim from the Issuer, the Guarantor, the Calculation Agent or any other person any indemnification or payment in respect of any tax consequences as a result of any such determination and/or adjustment upon individual Holders.

Upon the making of any such adjustment by the Calculation Agent, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18, stating the adjustment to the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement and giving brief details of the Potential Adjustment Event.

(ii) If (a) De-listing, Merger Event, Nationalisation and Insolvency is specified as applying in the applicable Pricing Supplement and/or (b) Tender Offer is specified as applying in the applicable Pricing Supplement and (in the case of (a)) a De-listing, Merger Event, Nationalisation or Insolvency occurs or (in the case of (b)) a Tender Offer occurs, in each case, in relation to an Underlying Equity, the Issuer may:

(A) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement to account for the De-listing, Merger Event, Nationalisation, Insolvency or Tender Offer, as the case may be, including, if "Equity Substitution" is specified as applying in the applicable Pricing Supplement, the substitution of the Substituted Equity the subject of the De-listing, Merger Event, Nationalisation, Insolvency or Tender Offer by a New Equity and determine the effective date of that adjustment; or

(B) give notice to the Holders in accordance with Condition 18 and redeem all (but not some only) of the Instruments, with each Calculation Amount being redeemed at the Early Termination Amount.

If the provisions of Condition 9.2(ii)(A) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the De-listing, Merger Event, Nationalisation, Insolvency or Tender Offer, as the case may be, made by an options exchange to options on the Underlying Equities traded on that options exchange.

If "Equity Substitution" is specified as applying in the applicable Pricing Supplement, and the Calculation Agent selects a New Equity in substitution for the Substituted Equity, the Issuer shall require the Calculation Agent to make such other adjustments to these Conditions and/or the applicable Pricing Supplement as it deems appropriate.

In making any determination in respect of any such adjustment, the Calculation Agent shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such determination for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and no Holder shall be entitled to claim from the Issuer, the Guarantor, the Calculation Agent or any other person any indemnification or payment in respect of any tax consequences as a result of any such determination and/or adjustment upon individual Holders.

Upon the occurrence (as applicable) of a De-listing, Merger Event, Nationalisation, Insolvency or Tender Offer, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 stating the occurrence of the De-listing,

Merger Event, Nationalisation, Insolvency or Tender Offer, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

(iii) In respect of Exempt Instruments that are Equity Linked Instruments relating to Underlying Equities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Underlying Equities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, then the Calculation Agent will adjust any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines to be appropriate to preserve the economic terms of the Exempt Instruments. The Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this Condition 9.2(iii) will affect the currency denomination of any payments in respect of the Instruments.

Upon the making of any such adjustment by the Calculation Agent, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18, stating the adjustment to the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement.

(iv) If Correction of Underlying Equity Prices is specified as applying in the applicable Pricing Supplement and the price of an Underlying Equity published on a Valuation Date or an Averaging Date used to determine the relevant Interest Amount and/or the Maturity Redemption Amount, as the case may be, is subsequently corrected and the correction (the "Corrected Underlying Equity Price") is published on the relevant Exchange prior to the Correction Cut-Off Date specified in the applicable Pricing Supplement, then such Corrected Underlying Equity Price shall be deemed to be the price for such Underlying Equity for such Valuation Date or such Averaging Date, as the case may be, and the Calculation Agent shall use such Corrected Underlying Equity Price in determining the relevant Interest Amount and/or the Maturity Redemption Amount, as the case may be.

Definitions applicable to Exempt Instruments that are Equity Linked Instruments

9.3 "Affiliate" means, in relation to any entity (the "First Entity"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity, directly or indirectly, under common control with the First Entity. For these purposes "control" means ownership of a majority of the voting power of an entity.

"Averaging Date" means each date specified as an Averaging Date in the applicable Pricing Supplement or (if any such date is not a Scheduled Trading Day) the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(i) if "Omission" is specified in the applicable Pricing Supplement as applying, then such date will be deemed not to be an Averaging Date provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the

relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(ii) if "Postponement" is specified in the applicable Pricing Supplement as applying, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(iii) if "Modified Postponement" is specified in the applicable Pricing Supplement as applying:

(a) where the Exempt Instruments relate to a single Underlying Equity, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether the eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (i)(b) of the definition of "Valuation Date" below; and

(b) where the Exempt Instruments relate to a Basket of Underlying Equities, the Averaging Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "Scheduled Averaging Date") and the Averaging Date for an Underlying Equity affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Underlying Equity. If the first succeeding Valid Date in relation to such Underlying Equity has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Underlying Equity, and (B) the Calculation Agent shall determine the relevant level, price or amount for such Averaging Date in accordance with sub-paragraph (ii)(b) of the definition of "Valuation Date" below.

If the applicable Pricing Supplement specifies a number of Averaging Roll Days (other than eight), references in this definition of "Averaging Date" to "eighth Scheduled Trading Day" (and related references) shall be construed with reference to such number of Averaging Roll Days.

"De-listing" means, in respect of any Underlying Equity, the Exchange announces that pursuant to the rules of such Exchange, such Underlying Equity ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) or another exchange

or quotation system located in another country which exchange or quotation system and country is deemed acceptable by the Calculation Agent.

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Exchange" means, in respect of an Underlying Equity, each exchange or quotation system specified as such for such Underlying Equity in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Insolvency" means that by reason of the voluntary or involuntary liquidation, special liquidation and/or bankruptcy (as the case may be and to the extent applicable), insolvency, dissolution or winding-up of, or any analogous proceeding affecting, an Equity Issuer (i) all the Underlying Equities of that Equity Issuer are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Equities of that Equity Issuer become legally prohibited from transferring them.

"Market Disruption Event" means, in respect of an Underlying Equity:

(i) the occurrence or existence at any time during the one hour period that ends at the relevant Valuation Time of:

(a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:

(A) relating to the Underlying Equity on the relevant Exchange; or

(B) in futures or options contracts relating to the Underlying Equity on any relevant Related Exchange; or

(b) any event (other than an event described in (ii) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, the Underlying Equities on the Exchange, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Underlying Equity on any relevant Related Exchange,

(ii) the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or if earlier (B) the submission deadline for orders to be entered into the Exchange or

Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material.

The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date or an Averaging Date. Without limiting the obligation of the Issuer to give notice to the Holders as set forth in the preceding sentence, failure by the Issuer to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"Merger Event" means, in respect of any relevant Underlying Equities, any:

(i) reclassification or change of such Underlying Equities that results in a transfer of, or an irrevocable commitment to transfer, all such Underlying Equities outstanding to another entity or person; or

(ii) consolidation, amalgamation, merger or binding share exchange of an Equity Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Equity Issuer is the continuing entity and which does not result in any such reclassification or change of all such Underlying Equities outstanding); or

(iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Equities of the Equity Issuer that results in a transfer of or an irrevocable commitment to transfer all such Underlying Equities (other than such Underlying Equities owned or controlled by such other entity or person); or

(iv) consolidation, amalgamation, merger or binding share exchange of the Equity Issuer or its subsidiaries with or into another entity in which the Equity Issuer is the continuing entity and which does not result in a reclassification or change of all such Underlying Equities outstanding but results in the outstanding Underlying Equities (other than Underlying Equities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Equities immediately following such event,

in each case where the Merger Date is on or before a Valuation Date or an Averaging Date.

"Nationalisation" means that all the Underlying Equities or all or substantially all the assets of an Equity Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"Potential Adjustment Event" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Underlying Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Underlying Equities to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Underlying Equities of (a) such Underlying Equities or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer equally or proportionately with such payments to holders of such Underlying Equities or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(iv) a call by an Equity Issuer in respect of relevant Underlying Equities that are not fully paid;

(v) a repurchase by an Equity Issuer or any of its subsidiaries of relevant Underlying Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(vi) in respect of an Equity Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Equity Issuer, pursuant to a shareholder rights plan or arrangement directed against hostile take-overs that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event that has or may have, in the opinion of the Calculation Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Underlying Equities.

"Reference Index" means, in relation to a Substituted Equity (as defined above), the index (i) of which the Substituted Equity is a component, or of which it has been a component at any time during the six months immediately preceding the relevant substitution, and (ii) over which futures contracts are actively traded, as determined by the Calculation Agent. If more than one index satisfies the above criteria or if no index satisfies the above criteria, the Calculation Agent shall determine the Reference Index for the Substituted Equity by reference to such criteria as it deems appropriate.

"Reference Price" means:

(i) where an Exempt Instrument is specified in the applicable Pricing Supplement to relate to a single Underlying Equity, an amount equal to the official closing price (or the price at the Valuation Time on a Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Pricing Supplement) of the Underlying Equity quoted on the relevant Exchange and, if specified in the applicable Pricing Supplement, without regard to any subsequently published correction as determined by or on behalf of the Calculation Agent (or if, in the opinion of the Calculation Agent, no such official closing price (or, as the case may be, the price at the Valuation Time on a Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Pricing Supplement) can be determined at such time and, if that Valuation Date or that Averaging Date is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying

price (or the fair market buying price at the Valuation Time on that Valuation Date or that Averaging Date, if so specified in the applicable Pricing Supplement) and the closing fair market selling price (or the fair market selling price at the Valuation Time on that Valuation Date or that Averaging Date, if so specified in the applicable Pricing Supplement) for the Underlying Equity based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or the middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Underlying Equity or on such other factors as the Calculation Agent shall decide). The amount determined pursuant to the foregoing shall be converted, if Exchange Rate is specified as applying in the applicable Pricing Supplement, into the Specified Currency at the Exchange Rate and such converted amount shall be the Reference Price; and

(ii) where an Exempt Instrument is specified in the applicable Pricing Supplement to relate to a Basket of Underlying Equities, an amount equal to the sum of the values calculated for each Underlying Equity as the official closing price (or the price at the Valuation Time on a Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Pricing Supplement) of the Underlying Equity quoted on the relevant Exchange as determined by or on behalf of the Calculation Agent and, if so specified in the applicable Pricing Supplement, without regard to any subsequently published correction (or if, in the opinion of the Calculation Agent, no such official closing price (or, as the case may be, the price at the Valuation Time on a Valuation Date or an Averaging Date, if so specified in the applicable Pricing Supplement) can be determined at such time and, if that Valuation Date or that Averaging Date is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on that Valuation Date or that Averaging Date, if so specified in the applicable Pricing Supplement) and the closing fair market selling price (or, as the case may be, the fair market selling price at the Valuation Time on that Valuation Date or that Averaging Date, if so specified in the applicable Pricing Supplement) for the Underlying Equity based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or the middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Underlying Equity or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Multiplier. Each value determined pursuant to the foregoing shall be converted, if the Exchange Rate is specified as applying in the applicable Pricing Supplement, into the Specified Currency at the Exchange Rate and the sum of such converted amounts shall be the Reference Price.

"Related Exchange" means, in relation to an Underlying Equity, each exchange or quotation system specified as such in relation to such Underlying Equity in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Pricing Supplement, Related Exchange shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Underlying Equity.

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related

Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"Scheduled Trading Day" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"Scheduled Valuation Date" means, in relation to a Valuation Date, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date.

"Tender Offer" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Equity Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"Valuation Date" means the date or, in the case of Equity Linked Interest Instruments, each date specified as such in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day then:

(i) where an Exempt Instrument is specified in the applicable Pricing Supplement to relate to a single Underlying Equity, that Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (a) the eighth Scheduled Trading Day shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall, where practicable, determine the Reference Price in the manner set out in the applicable Pricing Supplement or, if not set out or not so practicable, determine the Reference Price in accordance with its estimate of the value of the Underlying Equity as of the Valuation Time on that eighth Scheduled Trading Day and otherwise in accordance with the above provisions; or

(ii) where an Exempt Instrument is specified in the applicable Pricing Supplement to relate to a Basket of Underlying Equities that Valuation Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and that Valuation Date for each Underlying Equity affected (each an "Affected Equity") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Equity unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Equity. In that case, (a) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date for the Affected Equity, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall determine, where practicable, the Reference Price using, in relation to the Affected Equity, a price determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its estimate of the value for the Affected Equity as of the Valuation Time on that eighth Scheduled Trading Day and otherwise in accordance with the above provisions.

If the applicable Pricing Supplement specifies a number of Valuation Roll Days (other than eight), references in this definition of "Valuation Date" to "eight Scheduled Trading Days" and

"eighth Scheduled Trading Day" (and related references) shall be construed with reference to such number of Valuation Roll Days.

"Valuation Time" means the Valuation Time specified in the applicable Pricing Supplement or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date in relation to each Underlying Equity to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

10. Additional Disruption Events

This Condition 10 is applicable only to Exempt Instruments.

Definitions

10.1 "Additional Disruption Event" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing and/or Loss of Stock Borrow, in each case if specified in the applicable Pricing Supplement.

"Change in Law" means that, on or after the Trade Date (as specified in the applicable Pricing Supplement) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (a) it has become illegal for the Issuer, the Guarantor and/or any of their Affiliates to hold, acquire or dispose of any relevant Underlying Equity (in the case of Equity Linked Instruments) or any relevant security/commodity comprised in an Index (in the case of Index Linked Instruments) or (b) the Issuer and/or the Guarantor will incur a materially increased cost in performing its obligations in relation to the Exempt Instruments (in the case of the Issuer) or the Deed of Guarantee (in the case of the Guarantor) (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, the Guarantor and/or any of their Affiliates).

"Hedging Disruption" means that the Issuer, the Guarantor and/or any of their Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Exempt Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Hedging Shares" means the number of Underlying Equities (in the case of Equity Linked Instruments) or securities/commodities comprised in an Index (in the case of Index Linked Instruments) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Exempt Instruments.

"Increased Cost of Hedging" means that the Issuer, the Guarantor and/or any of their Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Exempt Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such

materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer, the Guarantor and/or any of their Affiliates shall not be deemed an Increased Cost of Hedging.

"Increased Cost of Stock Borrow" means that the Issuer, the Guarantor and/or any of their Affiliates would incur a rate to borrow any Underlying Equity (in the case of Equity Linked Instruments) or any security/commodity comprised in an Index (in the case of Index Linked Instruments) that is greater than the Initial Stock Loan Rate.

"Initial Stock Loan Rate" means, in respect of an Underlying Equity (in the case of Equity Linked Instruments) or a security/commodity comprised in an Index (in the case of Index Linked Instruments), the rate which the Issuer, the Guarantor and/or any of their Affiliates would have incurred to borrow such Underlying Equity or such security/commodity, as the case may be, as of the Trade Date, as determined by the Issuer.

"Insolvency Filing" means that an Equity Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation or special liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Equity Issuer shall not be deemed an Insolvency Filing.

"Loss of Stock Borrow" means that the Issuer, the Guarantor and/or any of their Affiliates is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Underlying Equity (in the case of Equity Linked Instruments) or any securities/commodities comprised in an Index (in the case of Index Linked Instruments) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"Maximum Stock Loan Rate" means, in respect of an Underlying Equity (in the case of Equity Linked Instruments) or a security/commodity comprised in an Index (in the case of Index Linked Instruments), the lowest rate which the Issuer, the Guarantor and/or any of their Affiliates, after using commercially reasonable efforts, would have incurred to borrow (and maintain a borrowing of) such Underlying Equity or such security/commodity, as the case may be, in an amount equal to the Hedging Shares, as of the Trade Date, as determined by the Issuer.

Occurrence of Additional Disruption Events

10.2 If an Additional Disruption Event occurs, the Issuer may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the relevant Interest Amount and/or the Maturity Redemption Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the applicable Pricing Supplement to account for the Additional Disruption Event including, if "Equity Substitution" is specified as applying in the applicable Pricing Supplement, the substitution of the Substituted Equity the subject of the Additional Disruption Event by a New Equity and determine the effective date of that adjustment; or

(ii) give notice to the Holders in accordance with Condition 18 and redeem all (but not some only) of the Exempt Instruments, each Calculation Amount being redeemed at the Early Termination Amount.

If the provisions of this Condition 10.2 apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Additional Disruption Event, made by an options exchange to options on the Underlying Equities traded on that options exchange.

In making any determination in respect of any such adjustment, the Calculation Agent shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such determination for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and no Holder shall be entitled to claim from the Issuer, the Guarantor, the Calculation Agent or any other person any indemnification or payment in respect of any tax consequences as a result of any such determination and/or adjustment upon individual Holders.

Upon the occurrence (if applicable) of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

11. Events of Default

11.1 *Unsubordinated Instruments:*

This Condition 11.1 is applicable only in relation to Unsubordinated Instruments.

The following events or circumstances as, in the case of Exempt Instruments only, modified by, and/or such other events as may be specified in, the applicable Pricing Supplement (each an "Event of Default") shall be acceleration events in relation to the Instruments of this Series, namely:

(i) the Issuer fails to pay any amount of principal or interest in respect of the Instruments on the due date for payment thereof and such failure continues for a period of 14 days; or

(ii) the Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Instruments or Coupons and such default remains unremedied for 30 days after written notice thereof has been delivered by a Holder of any such Instrument to the Issuer or the Guarantor, as appropriate, requiring the same to be remedied; or

(iii) the repayment of any indebtedness owing by the Issuer or the Guarantor or any Material Subsidiary is accelerated by reason of default and such acceleration has not been rescinded or annulled, or the Issuer or the Guarantor or any Material Subsidiary defaults (after whichever is the longer of any originally applicable period of grace and 14 days after the due date) in any payment of any indebtedness or in the honouring of any guarantee or indemnity in respect of any indebtedness provided that no such event shall constitute an Event of Default unless the indebtedness whether alone or when aggregated with other indebtedness relating to all (if any) other such events which shall have occurred and be continuing shall exceed €15,000,000 (or its

equivalent in any other currency or currencies) or, if higher, a sum equal to 0.025 per cent. of the gross consolidated assets of the Bank and its Subsidiaries as shown by the then latest published audited consolidated balance sheet of the Bank and its Subsidiaries; or

(iv) any order shall be made by any competent court or resolution passed for the winding-up or dissolution of the Issuer or the Guarantor or any Material Subsidiary (other than for the purpose of amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Holders of the Instruments or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in the Bank or another of its Subsidiaries); or

(v) the Issuer or the Guarantor or any Material Subsidiary shall cease to carry on the whole or substantially the whole of its business (other than for the purpose of an amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Holders of the Instruments or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in the Bank or another of its Subsidiaries); or

(vi) the Issuer or the Guarantor or any Material Subsidiary shall stop payment or shall be unable to, or shall admit inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent by a court of competent jurisdiction or shall make a conveyance or assignment for the benefit of, or shall enter into any composition or other arrangement with, its creditors generally; or

(vii) a receiver, trustee or other similar official shall be appointed in relation to the Issuer or the Guarantor or any Material Subsidiary or in relation to the whole or over half of the assets of the Issuer or the Guarantor or any Material Subsidiary, or an interim supervisor of the Bank is appointed by the Bank of Greece or an encumbrancer shall take possession of the whole or over half of the assets of the Issuer or the Guarantor or any Material Subsidiary, or a distress or execution or other process shall be levied or enforced upon or sued out against the whole or a substantial part of the assets of the Issuer or the Guarantor and in any of the foregoing cases it or he shall not be discharged within 60 days; or

(viii) the Issuer or the Guarantor or any Material Subsidiary sells, transfers, lends or otherwise disposes of the whole or a major part of its undertaking or assets (including shareholdings in its Subsidiaries or associated companies) and such disposal is substantial in relation to the assets of the Issuer or the Bank and its Subsidiaries as a whole, other than selling, transferring, lending or otherwise disposing on an arm's length basis; or

(ix) with respect to any Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, the Deed of Guarantee is not in full force and effect.

For the purposes of this Condition 11.1, "Material Subsidiary" means at any time any Subsidiary of the Bank:

(i) whose profits or (in the case of a Subsidiary which has subsidiaries) consolidated profits, before taxation and extraordinary items or before taxation and after extraordinary items as shown by its latest audited profit and loss account are at least 15 per cent. of the consolidated profits before taxation and extraordinary items of the Bank and its Subsidiaries as shown by the latest published audited consolidated profit and loss account of the Bank and its Subsidiaries; or

(ii) whose gross assets or (in the case of a Subsidiary which has subsidiaries) gross consolidated assets as shown by its latest audited balance sheet are at least 15 per cent. of the gross consolidated assets of the Bank and its Subsidiaries as shown by the then latest published audited consolidated balance sheet of the Bank and its Subsidiaries; or

(iii) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary which immediately prior to such transfer is a Material Subsidiary provided that, in such a case, the Subsidiary so transferring its assets and undertaking shall thereupon cease to be a Material Subsidiary.

"Subsidiary" means, in respect of the Bank at any particular time, any other entity:

(a) whose affairs and policies the Bank controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of such entity or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles or standards, consolidated with those of the Bank.

11.2 If any Event of Default shall occur and be continuing in relation to any Series of Instruments, any Holder of an Instrument of the relevant Series may, by written notice to the Issuer, at the specified office of the Issue and Paying Agent, declare that such Instrument shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its early termination amount (the "Early Termination Amount") (which shall be its Outstanding Principal Amount or, if such Instrument is non-interest bearing, its Amortised Face Amount (as defined in Condition 7.15) or, in the case of Exempt Instruments only, such other redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Pricing Supplement), together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Instruments to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Instruments of the relevant Series shall have been cured.

11.3 *Subordinated Instruments:*

This Condition 11.3 is applicable only in relation to Subordinated Instruments. The events specified below are both "Subordinated Default Events".

(i) If default is made in the payment of any amount due in respect of the Instruments or any of them on the due date and such default continues for a period of 7 days, any Holder of an Instrument may institute proceedings for the winding-up of the Issuer, except where the Issuer is Eurobank.

(ii) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by Extraordinary Resolution of the Holders of the Instruments, an order is made or an effective resolution is passed for the winding-up of the Issuer, any Holder of an Instrument may, by written notice to the Issue and Paying Agent, declare such Instrument to be due and payable whereupon the same shall become immediately due and payable at its Early Termination Amount as may be specified in, or, in the case of Exempt Instruments only, determined in accordance with, the applicable Final Terms, together (if appropriate) with accrued interest to (but excluding) the date of redemption unless such Subordinated Default Event shall have been remedied prior to receipt of such notice by the Issue and Paying Agent.

12. Taxation

12.1 All amounts payable by or on behalf of the Issuer or, as the case may be, the Guarantor (whether in respect of principal, interest or otherwise) in respect of the Instruments and the Coupons will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of, the United Kingdom (where ERB Hellas PLC is the Issuer), the Cayman Islands (where ERB Hellas (Cayman Islands) Limited is the Issuer) or (where the Bank is the Issuer or in the case of the Guarantor) the Hellenic Republic or, in each case, any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Holder after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Instrument or Coupon:

(i) the holder of which is liable to such taxes, duties, assessments or governmental charges in respect of such Instrument or Coupon by reason of his having some connection with the United Kingdom, the Cayman Islands or, as the case may be, the Hellenic Republic other than the mere holding of such Instrument or Coupon; or

(ii) presented for payment by or on behalf of, a person who is liable to such taxes, duties, assessments or governmental charges in respect of such Instrument or Coupon who would not be liable or subject to such withholding or deduction if he were to make a declaration of non-residence or other similar claim for exemption but fails to do so; or

(iii) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day assuming that day to have been a Local Banking Day (as defined in Condition 13B.2 (Payments – General Provisions); or

(iv) presented for payment in the Hellenic Republic, the Cayman Islands or the United Kingdom.

12.2 For the purposes of these Conditions, the "Relevant Date" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Issue and Paying Agent on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders of the Instruments of the relevant Series in accordance with Condition 18.

12.3 If the Issuer or the Guarantor becomes subject generally at any time to any taxing jurisdiction other than or in addition to the United Kingdom (where ERB Hellas PLC is the Issuer) or the Cayman Islands (where ERB Hellas (Cayman Islands) Limited is the Issuer) or the Hellenic Republic (where the Bank is the Issuer or in the case of the Guarantor) references in Condition 7.2 and Condition 12.1 to those jurisdictions shall be construed as references to the United Kingdom, the Cayman Islands and the Hellenic Republic and/or to such other jurisdiction(s).

12.4 Any reference in these Conditions to "principal" and/or "interest" in respect of the Instruments shall be deemed also to refer to any additional amounts which may be payable under this Condition 12. Unless the context otherwise requires, any reference in these Conditions to "principal" shall include any premium payable in respect of an Instrument, any Instalment Amount or Redemption Amount and any other amounts in the nature of principal payable pursuant to these Conditions and "interest" shall include all amounts payable pursuant to Condition 6 and any other amounts in the nature of interest payable pursuant to these Conditions. Notwithstanding the foregoing provisions, Condition 12.1 will be limited to payments of interest in respect of Subordinated Instruments.

13. Payments

13A.1 Payment of amounts (other than interest) due in respect of Instruments will be made against presentation and (save in the case of partial payment or, in the case of Exempt Instruments only, payment of an Instalment Amount (other than the final Instalment Amount)) surrender of the relevant Instruments at the specified office of any of the Paying Agents.

The following paragraphs of Condition 13A.1 are applicable only to Exempt Instruments.

In the case of Instalment Exempt Instruments only, payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Exempt Instrument which is a Definitive Instrument with Receipts will be made against presentation of the Instrument together with (where applicable) the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Exempt Instrument to which they relate will not represent any obligation of the Issuer. Accordingly, the presentation of an Exempt Instrument without the relative Receipt or the presentation of a Receipt without the Exempt Instrument to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

13A.2 *Payment of amounts in respect of interest on Instruments will be made:*

(i) in the case of Instruments without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Instruments at the specified office of any of the Paying Agents outside (unless Condition 13A.3 applies) the United States; and

(ii) in the case of Instruments delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Instruments, in either case at the specified office of any of the Paying Agents outside (unless Condition 13A.3 applies) the United States.

13A.3 Payments of amounts due in respect of interest on the Instruments and exchanges of Talons for Coupon sheets in accordance with Condition 13A.6 will not be made at the specified office of any Paying Agent in the United States (as defined in the United States Internal Revenue Code and Regulations thereunder) unless (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of principal and interest on the Instruments in the manner provided below when due, (b) payment in full of amounts due in respect of interest on such Instruments when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (c) such payment or exchange is permitted by applicable United

States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer or the Guarantor. If paragraphs (a), (b) and (c) of the previous sentence apply, the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

13A.4 If the due date for payment of any amount due in respect of any Instrument is not a Relevant Financial Centre Day and a Local Banking Day (each as defined in Condition 13B.2), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day, (or as otherwise specified in the applicable Final Terms) and from such day and thereafter will be entitled to receive payment by cheque on any Local Banking Day, and will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such delay or adjustment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 6.11 or, if appropriate, Condition 6.15.

13A.5 Each Instrument initially delivered with Coupons, Talons or, in the case of Exempt Instruments only, Receipts attached thereto should be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Coupons, Talons and, in the case of Exempt Instruments only, Receipts relating thereto, failing which:

(i) if the applicable Final Terms specify that this paragraph (i) of Condition 13A.5 is applicable (and, in the absence of specification, this paragraph (i) shall apply to Instruments which bear interest at a fixed rate or rates or in fixed amounts) and subject as hereinafter provided, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the Redemption Amount paid bears to the total Redemption Amount due) (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within ten years of the Relevant Date applicable to payment of such Redemption Amount;

(ii) if the applicable Final Terms specify that this paragraph (ii) of Condition 13A.5 is applicable (and, in the absence of specification, this paragraph (ii) shall apply to Instruments which bear interest at a floating rate or rates or in variable amounts) all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) relating to such Instruments (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them;

(iii) in the case of Instruments initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and

(iv) in the case of Exempt Instruments initially delivered with Receipts attached thereto, all Receipts relating to such Exempt Instruments in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 13A.5 notwithstanding, if any Instruments should be issued with a maturity date and an Interest Rate or Rates such that, on the

presentation for payment of any such Instrument without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Instrument, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (i) in respect of such Coupons as have not so become void, the amount required by paragraph (i) to be deducted would not be greater than the Redemption Amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to an Instrument to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

13A.6 In relation to Instruments initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside (unless Condition 13A.3 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 14 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

13B *Payments – General Provisions*

13B.1 Payments of amounts due (whether principal, interest or otherwise) in respect of Instruments will be made in the currency in which such amount is due either (a) by cheque or (b) by transfer to an account denominated in the relevant currency specified by the payee.

13B.2 For the purposes of these Conditions:

(i) "Relevant Financial Centre Day" means, in the case of any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the Relevant Financial Centre and in any other Relevant Financial Centre specified in the applicable Final Terms or in the case of payment in euro, a day on which the TARGET2 System is operating; and

(ii) "Local Banking Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place of presentation of the relevant Instrument or, as the case may be, Coupon.

13B.3 No commissions or expenses shall be charged to the holders of Instruments or Coupons in respect of such payments.

13C *Payments Subject to Fiscal and Other Laws*

Payments will, without prejudice to the provisions of Condition 12, be subject in all cases to (i) any applicable fiscal or other laws and regulations in any jurisdiction, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or (without prejudice to the provisions of Condition 12) any law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code ("871(m) Withholding"). In addition, in determining the amount

of 871(m) Withholding imposed with respect to any amounts to be paid on the Instruments, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

Payments on the Instruments that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

14. Prescription

14.1 Claims against the Issuer and the Guarantor for payment of principal and interest in respect of Instruments will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date (as defined in Condition 12.2) for payment thereof.

14.2 In relation to Definitive Instruments initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue pursuant to Condition 13A.5 or the due date for the payment of which would fall after the due date for the redemption of the relevant Instrument or which would be void pursuant to this Condition 14 or any Talon the maturity date of which would fall after the due date for redemption of the relevant Instrument.

15. The Paying Agents and the Calculation Agent and Determinations

15.1 The initial Paying Agents and their respective initial specified offices are specified below. The Calculation Agent in respect of any Instruments shall be specified in the applicable Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Issue and Paying Agent) or the Calculation Agent and to appoint additional or other Paying Agents or another Calculation Agent Provided that it will at all times maintain (i) an Issue and Paying Agent, (ii) a Paying Agent (which may be the Issue and Paying Agent) with a specified office in a continental European city other than the jurisdiction in which the Issuer or the Guarantor is incorporated, (iii) so long as the Instruments are listed on the Luxembourg Stock Exchange and/or any other stock exchange and/or admitted to listing by any other relevant authority, a Paying Agent (which may be the Issue and Paying Agent) with a specified office in Luxembourg and/or in such other place as may be required by the rules of such other stock exchange or other relevant authority, (iv) in the circumstances described in Condition 13A.3, a Paying Agent with a specified office in New York City, and (v) a Calculation Agent where required by the Conditions applicable to any Instruments (in the case of (i), (ii), (iii), (iv) and (v) with a specified office located in such place (if any) as may be required by the Conditions). Each of the Paying Agents and the Calculation Agent reserves the right at any time to change its specified office to some other specified office in the same city. Notice of all changes in the identities or specified offices of any Paying Agents or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 18.

15.2 The Paying Agents and the Calculation Agent act solely as agents of the Issuer and, save as provided in the Issue and Paying Agency Agreement or any other agreement entered into with respect to its appointment, do not assume any obligations towards or relationship of

agency or trust for any Holder of any Instrument, Coupon or, in the case of Exempt Instruments only, Receipt and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Issue and Paying Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

15.3 All determinations and calculations of the Calculation Agent made under the Instruments shall be made in its sole and absolute discretion and shall be binding on the Holders of the Instruments in the absence of manifest error. The Holders of the Instruments shall (in the absence as aforesaid) not be entitled to proceed against the Calculation Agent in connection with the exercise or non-exercise by it of its obligations, duties and discretions pursuant to the Instruments. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to make any calculation required as set out herein or to fulfil any other requirement, relating to it in respect of the Instruments, the Issuer will appoint the London office of a financial institution to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

16. Replacement of Instruments

If any Instrument, Coupon or, in the case of Exempt Instruments only, Receipt is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issue and Paying Agent or such Paying Agent or Paying Agents as may be specified for such purpose in the applicable Final Terms ("Replacement Agent"), subject to all applicable laws and the requirements of any stock exchange or other relevant authority on which the Instruments are listed (if any), upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require. Mutilated or defaced Instruments, Coupons and, in the case of Exempt Instruments only, Receipts must be surrendered before replacements will be delivered therefor.

17. Meetings of Holders and Modification

Without prejudice to the provisions for meetings of Holders of Bank Instruments referred to in Condition 22 below, the Issue and Paying Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Holders of Instruments of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) of these Conditions and the Deed of Covenant insofar as the same may apply to such Instruments. An Extraordinary Resolution passed at any meeting of the Holders of Instruments of any Series will be binding on all Holders of the Instruments of such Series, whether or not they are present at the meeting, and on all Holders of Coupons relating to Instruments of such Series.

The Issuer and the Guarantor may, with the consent of the Issue and Paying Agent, but without the consent of the Holders of the Instruments of any Series or Coupons, amend these Conditions, the Deed of Covenant and the Deed of Guarantee insofar as they may apply to such Instruments to correct a manifest error. Subject as aforesaid, no other modification may be made to these Conditions, the Deed of Covenant or the Deed of Guarantee except with the sanction of an Extraordinary Resolution.

In the case of Subordinated Instruments, any modification (other than a modification which is made to correct a manifest error) of the Subordinated Instruments, these Conditions, the Deed of Covenant and the Deed of Guarantee will be subject to Condition 7.11.

18. Notices

Notices to Holders of Instruments will, save where another means of effective communication has been specified in the applicable Final Terms, be deemed to be validly given if (i) published in a leading daily newspaper having general circulation in the United Kingdom (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe and (ii) in the case of any Instruments which are listed on the Luxembourg Stock Exchange (so long as such Instruments are listed on the Luxembourg Stock Exchange), published in accordance with the rules of that exchange, which is expected to be publication either on the Luxembourg Stock Exchange's website at *www.bourse.lu* or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange on which the Instruments are listed. Any notice so given will be deemed to have been validly given on the first date on which publication shall have been made in accordance with the above. Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Instruments in accordance with this Condition.

Notices to Holders of Bank Instruments shall be given to the Bank Holders' Agent. Any such notice shall be deemed to have been given to the Holders of Bank Instruments on the seventh calendar day after the day on which the said notice was given to the Bank Holders' Agent unless the Bank Instruments have been placed and sold by way of a "public offer" in Greece for the purposes of article 2 paragraph 1(d) of Greek law 3401/2005 implementing into Greek law Directive 2003/71/EC, in which case any such notice will also be published in accordance with the provisions of article 5 of Greek law 3156/2003 should such law 3156/2003 apply to Bank Instruments.

19. Further Issues

The Issuer may from time to time, without the consent of the Holders of any Instruments or Coupons, create and issue further instruments, bonds or debentures having the same terms and conditions as such Instruments in all respects (or in all respects except for the first payment of interest, if any, on them) so as to form a single series with the Instruments of any particular Series.

20. Waiver and Remedies

No failure to exercise, and no delay in exercising, on the part of the Holder of any Instrument, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

21. Substitution of the Issuer

21.1 The Issuer may, without the consent of any Holder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Instruments, any Coupons, the Deed of Covenant, the Issue and Paying Agency Agreement and (to the extent applicable) the Bank Holders' Agency Agreement (the "Substituted Debtor") upon notice by the Issuer and the Substituted Debtor to be given in accordance with Condition 18, *provided that:*

(i) the Issuer is not in default in respect of any amount payable under the Instruments;

(ii) the Issuer and the Substituted Debtor have entered into such documents (the "Documents") as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Holder to be bound by these Conditions and the provisions of the Issue and Paying Agency Agreement as the debtor in respect of the Instruments in place of the Issuer (or of any previous substitute under this Condition 21);

(iii) the Substituted Debtor shall enter into a deed of covenant in favour of the holders of the Instruments then represented by a global Instrument on terms no less favourable than the Deed of Covenant then in force in respect of the Instruments;

(iv) if the Substituted Debtor is resident for tax purposes in a territory (the "New Residence") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "Former Residence"), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Holder has the benefit of an undertaking in terms corresponding to the provisions of Condition 12, with the substitution of references to the Former Residence with references to the New Residence;

(v) if the Issuer is ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited and the Substituted Debtor is not the Guarantor, the Deed of Guarantee extends to the obligations of the Substituted Debtor under or in respect of the Instruments, any Coupons, the Deed of Covenant and the Issue and Paying Agency Agreement and continues to be in full force and effect;

(vi) if the Issuer is the Bank, unless the Successor in Business of the Bank is the Substituted Debtor, the Bank shall provide an unconditional and irrevocable guarantee in relation to the obligations of the Substituted Debtor under or in respect of the Instruments, any Coupons, the Deed of Covenant, the Issue and Paying Agency Agreement and (to the extent applicable) the Bank Holders' Agency Agreement;

(vii) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents;

(viii) each stock exchange or other relevant authority on which the Instruments are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Instruments will continue to be listed on such stock exchange or other relevant authority; and

(ix) if applicable, the Substituted Debtor has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Instruments and any Coupons.

For the purposes of this Condition, "Successor in Business" means, in relation to the Bank, any company which effectively assumes all of the obligations of the Bank under, or in respect of, the Instruments and which:

(A) owns beneficially the whole or substantially the whole of the undertaking, property and assets owned by the Bank immediately prior thereto; and

(B) carries on, as successor to the Bank, the whole or substantially the whole of the business carried on by the Bank immediately prior thereto.

21.2 In the case of Subordinated Instruments, any substitution pursuant to Condition 21.1. of the Issuer as debtor in respect of such Instruments, any Coupons associated therewith, the Deed of Covenant, the Issue and Paying Agency Agreement and (to the extent applicable) the Bank Holders' Agency Agreement will be subject to Condition 7.11.

21.3 Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Instruments, any Coupons associated therewith, the Deed of Covenant, the Issue and Paying Agency Agreement and (to the extent applicable) the Bank Holders' Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Instruments, any Coupons, the Deed of Covenant, the Issue and Paying Agency Agreement and (to the extent applicable) the Bank Holders' Agency Agreement.

21.4 After a substitution pursuant to Condition 21.1 the Substituted Debtor may, without the consent of any Holder, effect a further substitution. All the provisions specified in Condition 21.1 and 21.2 shall apply *mutatis mutandis*, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.

21.5 After a substitution pursuant to Conditions 21.1 or 21.4 any Substituted Debtor may, without the consent of any Holder, reverse the substitution, *mutatis mutandis*.

21.6 The Documents shall be delivered to, and kept by, the Issue and Paying Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of each of the Paying Agents.

22. Bank Holders' Agent

Prior to the issue of any Bank Instruments, if so required by Greek law 3156/2003 (to the extent applicable), the Bank shall appoint a Bank Holders' Agent by way of a written contract (the "Bank Holders' Agency Agreement") and in accordance with provisions of Greek law 3156/2003.

The Bank Holders' Agent shall be either a Credit Institution or an Investment Firm under Greek law 3606/2007, implementing into Greek law Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments ("MiFID II"), which shall be authorised to render in Greece the regulated investment service of underwriting in respect of issues of any of the instruments listed in Section C of the Annex I of the MiFID II and/or placing of such issues.

The Bank Holders' Agent shall *inter alia*:

(i) represent the interests of the Holders of Bank Instruments *vis-à-vis* the Bank and any third parties;

(ii) co-operate with Euroclear or Clearstream, Luxembourg, for the registration of the interests of the Holders of Bank Instruments in the accounts of Euroclear and/or Clearstream, Luxembourg;

(iii) represent, in accordance with the provisions of Greek law 3156/2003, the Holders of Bank Instruments before the competent courts, in relation to matters concerning Bank Instruments; and

(iv) generally perform any other duties and obligations, as set in Greek law 3156/2003 and these Conditions.

The Bank Holders' Agency Agreement shall include, *inter alia*, provisions for the meetings of the Holders of Bank Instruments in accordance with Greek law 3156/2003.

The meetings of the Holders of Bank Instruments shall be entitled to vary or terminate the appointment of the Bank Holders' Agent in accordance with the provisions of Greek law 3156/2003 and these Conditions.

The particular duties, rights and liabilities of the Bank Holders' Agent and any amendment to these Conditions relating to (i) the appointment of the Bank Holders' Agent; and (ii) the entering into the Bank Holders' Agency Agreement, shall be specified in the applicable Final Terms.

23. Acknowledgement of Statutory Loss Absorption Powers

Notwithstanding and to the exclusion of any other term of the Instruments or any other agreements, arrangements or understanding between any of the parties thereto, or between the Issuer, the Guarantor and the Holders (which, for the purposes of this Condition 23 includes each holder of a beneficial interest in the Instruments), each Holder by its purchase of the Instruments will be deemed to acknowledge, accept and agree, that any liability arising under the Instruments or the Deed of Guarantee may be subject to the exercise of Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

(i) the effect of the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:

(A) the reduction of all, or a portion, of the Relevant Amounts in respect of the Instruments and/or the Deed of Guarantee;

(B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Instruments and/or the Deed of Guarantee into shares, other securities or other obligations of the Issuer, the Guarantor or another person, and the issue to or conferral on the Holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Instruments;

(C) the cancellation of the Instruments, the Deed of Guarantee, or the Relevant Amounts in respect of the Instruments and/or the Deed of Guarantee; and

(D) the amendment or alteration of the maturity date of the Instruments or the amendment of the amount of interest payable on the Instruments, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the terms of the Instruments, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority.

"Relevant Amounts" means the outstanding principal amount of the Instruments, together with any accrued but unpaid interest and additional amounts due on the Instruments pursuant to Condition 12 (or the relevant amounts guaranteed by the Guarantor under the Deed of

Guarantee). References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Statutory Loss Absorptions Powers by the Relevant Resolution Authority.

"Relevant Resolution Authority" means the resolution authority with the ability to exercise any Statutory Loss Absorption Powers in relation to the Issuer and/or the Guarantor, as the case may be.

"Statutory Loss Absorption Powers" means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements applicable to the Issuer and/or the Guarantor, as the case may be, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer and/or the Guarantor, as the case may be (or any affiliate of the Issuer and/or the Guarantor, as the case may be) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer and/or the Guarantor, as the case may be, or any other person (or suspended for a temporary period).

24. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Instrument under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act. This Condition shall not apply to (i) in the case of Instruments issued by the Bank, the subordination provisions in Condition 3B, (ii) in the case of Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, the subordination provisions in Condition 4B and the subordination provisions set out in the Deed of Guarantee, and (iii) Condition 22.

25. Law and Jurisdiction

Governing Law

25.1 The Instruments, the Issue and Paying Agency Agreement, the Deed of Covenant and the Deed of Guarantee, and any non-contractual obligations arising out of or in connection with the Instruments, the Issue and Paying Agency Agreement, the Deed of Covenant and the Deed of Guarantee, shall be governed by, and construed in accordance with, English law, save for (i) in the case of Instruments issued by the Bank, the subordination provisions in Condition 3B, (ii) in the case of Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, the subordination provisions in Condition 4B and the subordination provisions set out in the Deed of Guarantee, and (iii) Condition 22, which shall be governed by, and construed in accordance with, the laws of the Hellenic Republic and Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013.

Submission to Jurisdiction

25.2 Each of the Issuer and the Guarantor irrevocably agrees, for the benefit of the Holders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Instruments and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Instruments and/or the Coupons) and accordingly submits to the exclusive jurisdiction of the English courts.

Each of the Issuer and the Guarantor waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Holders may take any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection

with the Instruments and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Instruments and the Coupons) against the Issuer or the Guarantor, as the case may be, in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

Appointment of Process Agent

25.3 Each of ERB Hellas (Cayman Islands) Limited and the Guarantor appoints ERB Hellas PLC at 2nd Floor, Devonshire House, 1 Mayfair Place London W1J 8AJ as its agent for service of process, and undertakes that, in the event of ERB Hellas PLC ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

Other documents and the Guarantor

25.4 Each of the Issuer and, where applicable, the Guarantor has in the Issue and Paying Agency Agreement, the Deed of Covenant and the Deed of Guarantee submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

PROVISIONS RELATING TO THE INSTRUMENTS WHILST IN GLOBAL FORM

Instruments will be issued in bearer form or, in the case of Exempt Instruments and if so specified in the applicable Pricing Supplement, in registered form. In respect of each Tranche of Instruments to be issued in bearer form, the relevant Issuer will deliver a Temporary Global Instrument or (if so specified in the applicable Final Terms) a Permanent Global Instrument. Such global Instrument, if the global Instruments are intended to be issued in NGI form, as specified in the applicable Final Terms, will be delivered on or prior to the original issue date of the Tranche to a common safekeeper for Euroclear and Clearstream, Luxembourg and, if the global Instruments are not intended to be issued in NGI form, will be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg. Each Temporary Global Instrument will be exchangeable for a Permanent Global Instrument or, if so specified in the applicable Final Terms, for Definitive Instruments. Each Permanent Global Instrument will be exchangeable for Definitive Instruments in accordance with its terms.

In respect of each Tranche of Exempt Instruments to be issued in registered form, the provisions applicable thereto will be specified in the applicable Pricing Supplement. Any such Exempt Instruments in registered form will be held outside Euroclear and Clearstream, Luxembourg.

(A) Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder of an Instrument represented by a Global Instrument (which expression includes a Temporary Global Instrument and a Permanent Global Instrument) must look solely to Euroclear, Clearstream, Luxembourg or such other clearing system (as the case may be) for such person's share of each payment made by the relevant Issuer to the bearer of such Global Instrument and in relation to all other rights arising under the Global Instruments, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such other clearing system (as the case may be). Such persons shall have no claim directly against such relevant Issuer in respect of payments due on the Instruments for so long as the Instruments are represented by such Global Instrument and such obligations of such relevant Issuer will be discharged by payment to the bearer of such Global Instrument in respect of each amount so paid. References in these provisions relating to the Instruments in global form to "holder" or "accountholder" are to those persons shown in the records of the relevant clearing system as a holder of an Instrument.

(B) Form and Exchange – Global Instruments

(1) *TEFRA D or TEFRA C*: The Final Terms shall specify whether U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor Treasury Regulation section including, without limitation, regulations issued in accordance with United States Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "TEFRA D Rules") or U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor Treasury Regulation section including, without limitation, regulations issued in accordance with United States Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "TEFRA C Rules") shall apply or that TEFRA is not applicable. Each Tranche of Instruments is represented upon issue by a Temporary Global Instrument, unless the Final Terms specify otherwise and/or the TEFRA C Rules apply.

Where the Final Terms applicable to a Tranche of Instruments specify that the TEFRA C Rules apply or that TEFRA is not applicable, such Tranche is (unless otherwise specified in the Final Terms) represented upon issue by a Permanent Global Instrument.

Interests in a Temporary Global Instrument may be exchanged for:

(i) interests in a Permanent Global Instrument; or

(ii) if so specified in the Final Terms, Definitive Instruments.

Exchanges of interests in a Temporary Global Instrument for Definitive Instruments or, as the case may be, a Permanent Global Instrument will be made only on or after the Exchange Date (as specified in the Final Terms) and (where TEFRA D Rules are applicable) provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received.

(2) *Limitation on entitlement under a Temporary Global Instrument after Exchange Date:* Holders of interests in any Temporary Global Instrument shall not (unless, upon due presentation of such Temporary Global Instrument for exchange (in whole but not in part only) for a Permanent Global Instrument or for delivery of Definitive Instruments, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Instruments represented by such Temporary Global Instrument which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

(3) *Certification of non-U.S. beneficial ownership:* Unless the Final Terms specify that the TEFRA C Rules are applicable or that TEFRA is not applicable to the Instruments and subject to paragraph (2) above, if any date on which a payment of interest is due on the Instruments of a Tranche occurs whilst any of the Instruments of that Tranche are represented by a Temporary Global Instrument, the related interest payment will be made on the Temporary Global Instrument only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by Euroclear or Clearstream, Luxembourg or any other relevant clearing system which may be specified in the Final Terms. Payments of amounts due in respect of a Permanent Global Instrument will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for certification.

(4) *Exchange for Definitive Instruments:* Interests in a Permanent Global Instrument will be exchanged (subject to the period allowed for delivery as set out in (i) below), in whole but not in part only and at the request of the holder of such Global Instrument (in the case of (a), (b) or (c)) or the relevant Issuer (in the case of (d)), for Definitive Instruments, unless otherwise specified in the Final Terms, (a) if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 11.1 or 11.3, as appropriate, occurs or (c) at any time on the request of the bearer, if so specified in the Final Terms or (d) at the option of the relevant Issuer at any time. Whenever a Permanent Global Instrument is to be exchanged for Definitive Instruments, the relevant Issuer shall procure the prompt delivery of such Definitive Instruments, duly authenticated and where and to the extent applicable, with Receipts, Coupons and Talons attached (each as defined in Condition 1.2 and Condition 1.3), in an aggregate principal amount equal to the principal amount of such Permanent Global

Instrument to the holder of the Permanent Global Instrument against its surrender to, or to the order of, the relevant Issuer and Paying Agent and, in the case of Bank Instruments, the Bank Holders' Agent, within 30 days of the holder or such relevant Issuer, as appropriate, requesting such exchange.

Furthermore, if:

(i) Definitive Instruments have not been delivered in accordance with the foregoing by 5.00 p.m. (London time) on the thirtieth day after the holder or the relevant Issuer, as appropriate, has requested exchange; or

(ii) the Permanent Global Instrument (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Instrument has occurred and, in either case, payment in full of the amount of the Redemption Amount (as defined in Condition 7.14) together with all interest (if any) accrued thereon has not been made to the holder in accordance with the Conditions on the due date for payment,

then such Permanent Global Instrument (including the obligation to deliver Definitive Instruments) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (i) above) or at 5.00 p.m. (London time) on such due date (in the case of (ii) above) and the holder of the Permanent Global Instrument will have no further rights thereunder (but without prejudice to the rights which such Holder or others may have under, in the case of Instruments issued by ERB Hellas PLC, the Deed of Covenant (the "ERB Hellas PLC Deed of Covenant") executed by ERB Hellas PLC dated 18 May 2017 or, in the case of Instruments issued by ERB Hellas (Cayman Islands) Limited, the Deed of Covenant (the "ERB Hellas (Cayman Islands) Limited Deed of Covenant") executed by ERB Hellas (Cayman Islands) Limited dated 18 May 2017 or, in the case of Instruments issued by the Bank, the Deed of Covenant (the "Bank Deed of Covenant") executed by the Bank dated 18 May 2017, as the case may be). Under the ERB Hellas PLC Deed of Covenant, the ERB Hellas (Cayman Islands) Limited Deed of Covenant or the Bank Deed of Covenant, as the case may be, persons shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) as being entitled to interests in the Instruments will acquire directly against the relevant Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Instrument became void, they had been the holders of Definitive Instruments in an aggregate principal amount equal to the principal amount of Instruments they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg or other relevant clearing system (as the case may be).

(C) Amendment to Conditions

The Temporary Global Instruments and Permanent Global Instruments contain provisions that apply to the Instruments that they represent, some of which modify the effect of the Terms and Conditions of the Instruments set out in this Prospectus. The following is an overview of certain of those provisions:

(1) *Meetings:* The holder of a Global Instrument shall (unless such Global Instrument represents only one Instrument) be treated as being two persons for the purposes of any quorum requirements of a meeting of holders and, at any such meeting, the holder of a Global Instrument shall be treated as having one vote in respect of each minimum integral amount of the Currency of Denomination of the Instruments specified in the applicable Final Terms.

(2) *Cancellation:* Cancellation of any Instrument represented by a Global Instrument that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Global Instrument.

(3) *Purchases:* Instruments represented by a Global Instrument may only be purchased by the relevant Issuer or, as the case may be, the Guarantor or any of the Bank's subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

(4) *Issuer's Options:* Any option of the relevant Issuer provided for in the Conditions of the Instruments while such Instruments are represented by a Global Instrument shall be exercised by such relevant Issuer giving notice to the holders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Instruments drawn in the case of a partial exercise of an option and accordingly no drawing of Instruments shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Instruments of any Series, the rights of accountholders with a clearing system in respect of the Instruments will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be). In the case of a partial redemption of Instruments, the Instruments to be redeemed will be selected in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be), to be reflected in the records of Euroclear, Clearstream, Luxembourg or such other clearing system as either a pool factor or a reduction in nominal amount, at their discretion.

(5) *Holders' Options:* Any option of the holders provided for in the Conditions of any Instruments while such Instruments are represented by a Global Instrument may be exercised by the holder of such Global Instrument, giving notice to the Issue and Paying Agent within the time limits relating to the deposit of Instruments with a Paying Agent substantially in the form of the notice available from any Paying Agent except that the notice shall not be required to contain the serial numbers of the Instruments in respect of which the option has been exercised, and stating the principal amount of Instruments in respect of which the option is exercised and at the same time presenting for notation the Global Instrument to the Issue and Paying Agent, or to a Paying Agent acting on behalf of the Issue and Paying Agent.

(6) *Notices:* So long as any Instruments are represented by a Global Instrument and such Global Instrument is held on behalf of a clearing system, notices to the holders of Instruments of that Series may be given by delivery of the relevant notice to the clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Instrument except that, so long as the Instruments are listed on the Luxembourg Stock Exchange, notice shall also be given in accordance with the rules of that exchange, which is expected to be publication either on the Luxembourg Stock Exchange's website at *www.bourse.lu* or in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort).

(D) Partly Paid Instruments

While any Partly Paid Instalments due from the holder of Partly Paid Instruments are overdue, no interest in a Temporary Global Instrument representing such Exempt Instruments may be exchanged for an interest in a Permanent Global Instrument or for Definitive Instruments (as the case may be) and no interest in a Permanent Global Instrument may be exchanged for

Definitive Instruments. If any holder fails to pay any instalment due on any Partly Paid Instruments within the time specified, the relevant Issuer may forfeit such Instruments and shall have no further obligation to such holder in respect of them.

FORM OF FINAL TERMS

Pro Forma Final Terms for an issue of PD Instruments with a minimum denomination of at least €100,000 (or its equivalent).

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Instruments or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]

[**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Instruments (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**MIFID II PRODUCT GOVERNANCE/RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]: *EITHER*[1] [and (ii) all channels for distribution of the Instruments are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] *OR*[2] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Instruments to retail clients are appropriate – investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*.] Any person subsequently offering, selling or recommending the Instruments (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.].]

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1 Include for bonds that are not ESMA complex

2 Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Instruments constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

Date: [ ]

Series No.: [ ]

Tranche No.: [ ]

[ERB Hellas PLC/
ERB Hellas (Cayman Islands) Limited/
Eurobank Ergasias S.A.]

€5,000,000,000 Programme for the Issuance of Debt Instruments

[guaranteed
by Eurobank Ergasias S.A.]

Issue of
[*Aggregate Principal Amount of Tranche*]
[*Title of Instruments*]

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "Conditions") of the Instruments set forth in the Prospectus dated 24 May 2018 [and the supplement[s] to the Prospectus dated [*date*]] which [together] constitute[s] a base prospectus for the purposes of [Directive 2003/71/EC (as amended, the "Prospectus Directive")] [the Prospectus Directive] (the "Prospectus"). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer[, the Guarantor] and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement[s] to the Prospectus] [is] [are] available for viewing on the Luxembourg Stock Exchange's website at www.bourse.lu.]

(*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.*)

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "Conditions") of the Instruments set forth in the Prospectus dated [18 May 2017/25 April 2016/13 May 2015/27 May 2014] [and the supplement[s] to the Prospectus dated [*date*]] which are incorporated by reference in the Prospectus dated 24 May 2018. This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus dated 24 May 2018 [and the supplement[s] to it dated [*date*] [and [*date*]] which [together] constitute[s] a prospectus for the purposes of the Prospectus Directive (the "Prospectus"), including the Conditions incorporated by reference in the Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement[s] to the Prospectus] [is] [are] available for viewing on the Luxembourg Stock Exchange's website at www.bourse.lu.]

(*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms*)

1.	Guarantor:		[Eurobank Ergasias S.A./Not Applicable] (*Insert 'Not Applicable' if the Instruments are issued by Eurobank Ergasias S.A.*)
2.	Status:		
	(a)	[of the Instruments:]	[Unsubordinated (Condition 3A) / Subordinated (Condition 3B)]
	(b)	[of the Guarantee:]	[Unsubordinated (Condition 4A) / Subordinated (Condition 4B)]
3.	Set-off (Condition 3C and 4C):		[Applicable/Not Applicable] (*N.B. Only relevant for Subordinated Instruments*)
4.	Currency:		
	–	of Denomination:	[*Specify*]
	–	of Payment:	[*Specify*]
	(Condition 1.5)		
5.	Aggregate Principal Amount of Tranche:		[*Specify*]
6.	If fungible into an existing Series:		[*Provide issue amount/ISIN/maturity date/issue date of earlier Tranches*]
7.	Issue Date:		[*Specify*]
8.	Issue Price:		[ ] per cent.
9.	Form of Instruments:		
	(a)	Initially represented by a Temporary Global Instrument or Permanent Global Instrument:	[Temporary Global Instrument/Permanent Global Instrument] (*If these Final Terms do not specify that the TEFRA C Rules apply or that TEFRA does not apply, Instruments will be represented initially by a Temporary Global Instrument*)
	(b)	Temporary Global Instrument exchangeable for [Permanent Global Instrument/Definitive Instruments only]:	[Permanent Global Instrument/Definitive Instruments] [*Specify Exchange Date*][3]
	(c)	Permanent Global Instrument exchangeable:	For Definitive Instruments [only] in the circumstances specified in "*Provisions Relating*

[3] N.B. Paragraphs (B)(4)(c) (*at any time at the request of the bearer*) and (d) (*at any time at the option of the relevant Issuer*) should not be expressed to be applicable if the Denomination of the Instruments in paragraph 11(a) includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Instruments in definitive form will be issued with a denomination above €199,000". Furthermore, such Denomination construction is not permitted in relation to any issue of Instruments which is to be represented on issue by a Temporary Global Instrument exchangeable for Definitive Instruments or a Permanent Global Instrument exchangeable for Definitive Instruments.

			to the Instruments Whilst in Global Form" paragraph (B)(4) [(a), (b) and (d) only (clearing system failure, Event of Default/Subordinated Default Event and at the option of the Issuer)]/[(c) (and (d)) (at any time at the option of the bearer or the Issuer)][1]
	(d)	Coupons to be attached to Definitive Instruments:	[Yes/No]
	(e)	Talons for future Coupons to be added to Definitive Instruments: (Condition 1.2)	[Yes/No]
	(f)	Definitive Instruments to be in ICMA or successor's format:	[Yes/No] (*If nothing is specified Definitive Instruments will be security printed and in ICMA or successor's format*)
	(g)	New Global Instrument:	[Yes/No]
10.	(a)	Denomination(s): (Condition 1.4)	[*Specify*] *(N.B. Instruments must have a minimum denomination of EUR100,000 (or equivalent))* [*Where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:* "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Instruments in definitive form will be issued with a denomination above [€199,000]]
	(b)	Calculation Amount:	[*Specify*] (*If only one denomination, insert the denomination. If more than one denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more denominations*)
11.		Date Board approval for issuance of Instruments obtained:	[ ] (*N.B. Only relevant where Board authorisation is required for the particular Tranche of Instruments*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12.	Interest: (Condition 6)	[Interest bearing/Non-interest bearing]
13.	Interest Rate: (Condition 6.2)	[[ ] per cent. Fixed Rate [[*specify Reference Rate*] +/- [ ] per cent.

		Floating Rate] [Reset Rate] [Zero Coupon] (further particulars specified below)
14.	Relevant Screen Page: (Condition 6.7)	[Reuters Screen/*Other*] page [ ]
15.	Relevant Margin: (Condition 6.7)	[Plus/Minus] [ ] per cent. per annum
16.	ISDA Rate: (Condition 6.9)	Issuer is [Fixed Rate/Fixed Amount/Fixed Price/Floating Rate/Floating Amount/Floating Price] Payer
17.	Minimum Interest Rate: (Condition 6.10)	[ ] per cent. per annum
18.	Maximum Interest Rate: (Condition 6.10)	[ ] per cent. per annum
19.	Interest Payment Dates or (if the Applicable Business Day Convention is the FRN Convention) Interest Period:	[*Specify dates (or if the Applicable Business Day Convention is the FRN Convention) number of months*]
20.	Interest Period End Dates or (if the Applicable Business Day Convention is the FRN Convention) Interest Accrual Period:	[*Specify*] (*If nothing is specified Interest Period End Dates will correspond with Interest Payment Dates*)
21.	Applicable Business Day Convention:	[*Specify, unless no adjustment is required in which case specify "No Adjustment"*] (*Note that these conventions are only to apply for the purposes of accrual of interest. Thus, a fixed rate Instrument should normally specify "No Adjustment", but for purposes of payment, a modification may be required to match a swap (see paragraph 38 – "Payments" below). Care should be taken to match the maturity date (as well as other key dates) of the Instruments with any underlying swap transaction. Since maturity dates do not automatically move with business day conventions under ISDA, it may be necessary to specify "No Adjustment" in relation to the maturity date of the Instruments to disapply the Applicable Business Day Convention*)
	– for Interest Payment Dates:	[ ]
	– for Interest Period End Dates:	[ ]
	– for Maturity Date:	[ ]

	– any other date:	[ ]
22.	Day Count Fraction: (Condition 6.14)	[Actual/Actual (ICMA)] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
23.	Interest Commencement Date: (Condition 6.14)	[*Specify, if different from the Issue Date*]
24.	Interest Determination Date: (Condition 6.14)	[*Specify number of Banking Days in which city(ies), if different from Condition 6.14*]
25.	Default Interest Rate: (Condition 6.11)	[*Specify if different from the Interest Rate*]
26.	Reset Rate Instruments: (Condition 6.3)	[*Specify each of the below where Reset Rate is selected in paragraph 13*]
	– Initial Rate of Interest	[ ] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]
	– Interest Payment Date(s):	[[ ] in each year from and including [ ], up to and including [ ]]
	– Reset Determination Date(s):	[[ ] in each year][Not Applicable]
	– First Reset Date:	[ ]
	– Second Reset Date:	[ ]/[Not Applicable]
	– Subsequent Reset Date(s):	[ ] [and [ ]]/[Not Applicable]
	– Mid-Swap Rate:	[ ]
	– Mid-Swap Rate Conversion:	[Applicable/Not Applicable]
	– Original Mid-Swap Rate Basis:	[Annual/Semi-annual/Quarterly/Monthly]
	– Mid-Swap Floating Leg Maturity:	[ ]
	– Mid-Swap Floating Leg Benchmark Rate Replacement:	[Applicable/Not Applicable]
	– Initial Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*)

	- Initial Mid-Swap Rate:	[ ] per cent.
–	Reset Period Maturity Initial Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*)
	- Reset Period Maturity Initial Mid-Swap Rate:	[ ] per cent.
–	Last Observable Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable]
–	First Reset Margin:	[+/-][ ] per cent. per annum
–	Subsequent Reset Margin:	[+/-][ ] per cent. per annum
–	Relevant Screen Page:	[ ]
–	Relevant Time:	[ ]
27. Calculation Agent: (Condition 6.12)		[*Specify name and specified office*]
28. Reference Banks: (Condition 6.14)		[*Specify*]
29. Reference Rate Replacement:		[Applicable/Not Applicable]
30. If non-interest bearing:		
–	Amortisation Yield:	[*Specify*]
–	Rate of interest on overdue amounts:	[*Specify, if not the Amortisation Yield*]
–	Day Count Fraction:	[*Specify for the purposes of Condition 6.15 and Condition 7.15*]

PROVISIONS RELATING TO REDEMPTION

31. Maturity Date: (Condition 7.1)	[*Specify date (or Interest Payment Date occurring in month and year if FRN Convention applies)*] [(*In the case of Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, if the issue proceeds are accepted in the United Kingdom (in the case of Instruments issued by ERB Hellas (Cayman Islands) Limited only) and the Maturity Date is less than one year from the Issue Date, the Instruments must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only*

			to "professional investors" (or another applicable exemption from section 19 of the FSMA must be available))]
32.	Proceeds On-Loan Tax Call: (Condition 7.2(iii))		[Applicable/Not Applicable]
33.	Early Redemption for Taxation Reasons: (Condition 7.2)		
	Early Redemption Amount (Tax):		[*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]
34.	Early Redemption for Capital Disqualification Event: (Condition 7.3)		[Applicable/Not Applicable]
	Early Redemption Amount (Capital Disqualification Event):		[*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]
35.	Optional Early Redemption (Call): (Condition 7.4)		[Yes/No]
			(*If yes specify any specific conditions required to permit such Optional Early Redemption*)
	(a)	Early Redemption Amount (Call):	[*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]
	(b)	Series redeemable in part:	[*Specify, otherwise redemption will only be permitted of entire Series*]
	(c)	Call Option Date(s)/Call Option Period:	[*Specify*]
			(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
	(d)	Maximum Redemption Amount: (Condition 7.6)	[None/*Specify*]
	(e)	Minimum Redemption Amount: (Condition 7.6)	[None/*Specify*]
36.	Optional Early Redemption (Put):		[Yes/No]

(Condition 7.7)

(*Only available for Unsubordinated Instruments*)

(a) Early Redemption Amount (Put): [*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]

(b) Put Date(s)/Put Period: [*Specify*]

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)

37. [Events of Default (Condition 11.1) / Subordinated Default Events (Condition 11.3) / Illegality (Condition 7.10)]:

(a) Early Termination Amount: [*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]

[In respect of each Calculation Amount, an amount in [*insert Currency*] determined by the Calculation Agent which represents the fair market value of such Calculation Amount [(which for the avoidance of doubt shall be deemed to include amounts in respect of interest (if any))] immediately prior to the date on which the Instruments are to be redeemed less (except in the case of early redemption pursuant to Condition 11) the cost to the Issuer[, the Guarantor] and/or any of their Affiliates of unwinding any related hedging arrangements. For the purposes of determining the fair market value of the Instruments for the purposes of Condition 11, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligation in respect of the Instruments. If the Instruments have become redeemable pursuant to Condition 7.10 (Illegality), then Condition 7.10 shall be amended by the deletion of the words "together with all interest (if any) accrued thereon". If the Instruments have become redeemable pursuant to Condition 11 (Events of Default), then Condition 11.2 shall be amended by the deletion of the words "together with all interest (if any) accrued thereon"]

38.	Payments: (Condition 13)		
	(a)	Unmatured Coupons missing upon Early Redemption:	[*Specify whether paragraph (i) or paragraph (ii) of Condition 13A.5 applies. If nothing is specified paragraph (i) will apply to fixed rate or fixed coupon amount Instruments and paragraph (ii) will apply to floating rate or variable coupon amount Instruments*]
	(b)	Specify any modification to the adjustment provisions for payment dates: (Condition 13A.4)	[*Specify whether e.g. the Modified Following Business Day Convention should apply for purposes of payment*]
39.	Replacement of Instruments: (Condition 16)		[*Specify Replacement Agent, if other than (or in addition to) the Issue and Paying Agent*]
40.	Notices: (Condition 18)		[*Specify any other means of effective communication*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on [*specify relevant regulated market (for example the Bourse de Luxembourg)*] of the Instruments described herein pursuant to the €5,000,000,000 Programme for the Issuance of Debt Instruments of ERB Hellas PLC, ERB Hellas (Cayman Islands) Limited and Eurobank Ergasias S.A.

[**THIRD PARTY INFORMATION**

The information relating to [ ] (the "Reference Information") contained herein has been accurately reproduced from [insert information source(s)]. [Each of/The] Issuer [and the Guarantor] accepts responsibility that [the Reference Information] has been accurately reproduced and, so far as the Issuer [and the Guarantor] [is/are] aware and [is/are] able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[**ERB HELLAS PLC** as Issuer

By: .....
Authorised Signatory

Date:.....]

[ERB HELLAS (CAYMAN ISLANDS) LIMITED as Issuer

By: .....
Authorised Signatory

Date:.....]

EUROBANK ERGASIAS S.A. as [Issuer/Guarantor]

By: .....

Authorised Signatory

Date: ....

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and Admission to Trading:	[Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on [*specify relevant regulated market (for example the Bourse de Luxembourg) and, if relevant, listing on an official list (for example, the Official List of the Luxembourg Stock Exchange)*] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on [*specify relevant regulated market (for example the Bourse de Luxembourg) and, if relevant, listing on an official list (for example, the Official List of the Luxembourg Stock Exchange*] with effect from [ ]] [Not Applicable]
(ii)	Estimate of total expenses related to admission to trading:	[ ]

2. RATINGS

	Ratings:	[The Instruments to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*]] (*The above disclosure should reflect the rating allocated to Instruments of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating*) [[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Instruments has an interest material to the offer.] (*Amend as appropriate if there are other interests*)

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive*)]

4. YIELD *(Fixed Rate or Reset Rate Instruments only)*

Indication of yield: [[ ]/Not Applicable]

5. HISTORIC INTEREST RATES *(Floating Rate Instruments only*)

[Details of historic [LIBOR/EURIBOR/*specify other Reference Rate*] rates can be obtained from [Reuters]/Not Applicable].

6. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	Common Code:	[ ]
(iii)	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	[Not Applicable/*give name(s), addresses and number(s)*]
(iv)	Settlement Procedures:	[*Specify whether customary medium term note/ eurobond/other settlement and payment procedures apply*]
(v)	Delivery:	Delivery [against/free of] payment
(vi)	Names and addresses of additional Paying Agent(s) (if any):	[ ]
(vii)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "Yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Instruments are capable of meeting them the Instruments may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Instruments will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB

being satisfied that Eurosystem eligibility criteria have been met.]

7. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(iii)	Date of [Subscription] Agreement:	[ ]
(iv)	Stabilising Institution(s) (if any):	[In connection with the issue of the Instruments, [*name of Stabilising Institution*] (or persons acting on behalf of [*name of Stabilising Institution*] may over-allot Instruments or effect transactions with a view to supporting the market price of the Instruments at a level higher than that which might otherwise prevail. However, there is no assurance that [*name of Stabilising Institution*] (or persons acting on behalf of [*name of Stabilising Institution*]) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Instruments is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Instruments and 60 days after the date of the allotment of the Instruments. Any such stabilisation or over-allotment must be conducted by [*name of Stabilising Institution*] (or person(s) acting on behalf of [*name of Stabilising Institution*]) in accordance will all applicable laws and rules]
(v)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]
(vi)	U.S. Selling Restrictions:	[TEFRA C / TEFRA D / TEFRA not applicable] [*Specify whether the Instruments are subject to TEFRA C or TEFRA D Rules or whether TEFRA is not applicable. In the absence of specification TEFRA D Rules will apply*]
(vii)	Prohibition of Sales to European Economic Area Retail Investors:	[Applicable/Not Applicable]

8. EU BENCHMARK REGULATION

EU Benchmark Regulation: Article 29(2) statement on benchmarks:	[Not applicable] [Applicable: Amounts payable under the Instruments are calculated by reference to [*insert name[s] of benchmark(s)*], which [is/are] provided

by [*insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark*].

[As at the date of these Final Terms, [*insert name[s] of the administrator[s]*] [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority [("ESMA")] pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) [(the "BMR")].] *[repeat as necessary*]]

APPLICABLE PRICING SUPPLEMENT

EXEMPT INSTRUMENTS OF ANY DENOMINATION

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Instruments, whatever the denomination of those Exempt Instruments, issued under the Programme.

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Instruments or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]

[**MIFID II PRODUCT GOVERNANCE / TARGET MARKET** – [*appropriate target market legend to be included*]]

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC FOR THE ISSUE OF EXEMPT INSTRUMENTS DESCRIBED BELOW.

Date: [ ]

Series No.: [ ]

Tranche No.: [ ]

[ERB Hellas PLC/
ERB Hellas (Cayman Islands) Limited/
Eurobank Ergasias S.A.]

€5,000,000,000 Programme for the Issuance of Debt Instruments

[guaranteed
by Eurobank Ergasias S.A.]

Issue of
[Aggregate Principal Amount of Tranche]
[Title of Exempt Instruments]

PART A – CONTRACTUAL TERMS

Any person making or intending to make an offer of the Exempt Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of [Directive 2003/71/EC, as amended (the "Prospectus Directive")][the Prospectus Directive] or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the Exempt Instruments described herein. This document must be read in conjunction with the Prospectus dated 24 May 2018 [as supplemented by the supplement[s] dated [*date*] (the "Prospectus"). Full information on the Issuer[, the Guarantor] and the offer of the Exempt Instruments is only available on the basis of the combination of this Pricing Supplement and the Prospectus. Copies of the Prospectus may be obtained from [*address*].

(*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date*.)

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "Conditions") of the Instruments set forth in the Prospectus dated [*original date*] [and the supplement[s] to the Prospectus dated [*date*]] which are incorporated by reference in the Prospectus dated 24 May 2018. This document constitutes the Pricing Supplement for the Exempt Instruments described herein and must be read in conjunction with the Prospectus dated 24 May 2018 [and the supplement[s] to it dated [*date*] [and [*date*]] (the "Prospectus"), including the Conditions incorporated by reference in the Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Exempt Instruments is only available on the basis of the combination of this Pricing Supplement and the Prospectus [as so supplemented]. Copies of the Prospectus may be obtained from [*address*].]

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.*]

1.	Issuer:	[ERB Hellas PLC/ERB Hellas (Cayman Islands) Limited/ Eurobank Ergasias S.A.]
2.	Guarantor:	[Eurobank Ergasias S.A./Not Applicable] (*Insert 'Not Applicable' if the Exempt Instruments are issued by Eurobank Ergasias S.A.*)
3.	Status:	
	(a) [of the Exempt Instruments:]	[Unsubordinated (Condition 3A) / Subordinated (Condition 3B)] (*If nothing is specified, Exempt Instruments will be unsubordinated*)
	(b) [of the Guarantee:	[Unsubordinated (Condition 4A) / Subordinated (Condition 4B)]
4.	Set-off (Condition 3C and 4C):	[Applicable/Not Applicable] (*N.B. Only relevant for Subordinated Instruments*)
5.	Currency:	
	– of Denomination:	[*Specify*]
	– of Payment:	[*Specify*]
6.	Aggregate Principal Amount of Tranche:	[*Specify*]
7.	If fungible into an existing Series:	[*Provide issue amount/ISIN/maturity date/issue date of earlier Tranches*]

8.	Issue Date:		[*Specify*]
9.	Issue Price:		[ ] per cent.
10.	Form of Exempt Instruments:		Bearer
11.	(a)	Initially represented by a Temporary Global Instrument or Permanent Global Instrument:	[*Specify*] (*If nothing is specified and Pricing Supplement does not specify that the TEFRA C Rules apply or that TEFRA does not apply, Exempt Instruments will be represented initially by a Temporary Global Instrument*)
	(b)	Temporary Global Instrument exchangeable for [Permanent Global Instrument/Definitive Instruments only]:	[Permanent Global Instrument/Definitive Instruments] [*Specify Exchange Date*][1]
	(c)	Permanent Global Instrument exchangeable:	For Definitive Instruments [only] in the circumstances specified in "*Provisions Relating to the Instruments Whilst in Global Form*" paragraph (B)(4) [(a), (b) and (d) only (clearing system failure, Event of Default/Subordinated Default Event and at the option of the Issuer)]/[(c) (and (d)) (at any time at the option of the bearer or the Issuer)][1]
	(d)	Coupons to be attached to Definitive Instruments:	[Yes/No]
	(e)	Talons for future Coupons to be added to Definitive Instruments:	[Yes/No]
	(f)	Definitive Instruments to be in ICMA or successor's format:	[Yes/No] (*If nothing is specified Definitive Instruments will be security printed and in ICMA or successor's format*)
	(g)	New Global Instrument:	[Yes/No]
12.	(a)	Denomination(s):	[ ]
	(b)	Calculation Amount:	[*Specify*] (*If only one denomination, insert the denomination. If more than one denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more denominations*)

[1] N.B. Paragraphs (B)(4)(c) (*at any time at the request of the bearer*) and (d) (*at any time at the option of the relevant Issuer*) should not be expressed to be applicable if the Denomination of the Instruments in paragraph 11(a) includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Instruments in definitive form will be issued with a denomination above €199,000". Furthermore, such Denomination construction is not permitted in relation to any issue of Instruments which is to be represented on issue by a Temporary Global Instrument exchangeable for Definitive Instruments or a Permanent Global Instrument exchangeable for Definitive Instruments.

13.	Redenomination:	[Not Applicable/The provisions annexed to this Pricing Supplement apply]
14.	Partly Paid Instruments:	[Yes/No]
	If yes, specify number, amounts and dates for, and method of, payment of instalments of subscription moneys and any further additional provisions (including Forfeiture Dates in respect of late payment of Partly Paid Instalments)	[*Give details*]
15.	Date Board approval for issuance of Instruments obtained:	[ ] (*N.B. Only relevant where Board authorisation is required for the particular Tranche of Instruments*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Interest:	[Interest bearing/Non-interest bearing]
17.	Interest Rate:	[*Specify rate (if fixed) or Floating Rate (if floating) or ISDA Rate or formula*] [Reset Rate]
18.	Relevant Screen Page:	[Reuters Screen/*Other*] page [ ]
19.	Relevant Margin:	[Plus/Minus] [ ] per cent. per annum
20.	ISDA Rate:	Issuer is [Fixed Rate/Fixed Amount/Fixed Price/Floating Rate/Floating Amount/Floating Price] Payer
21.	Minimum Interest Rate:	[ ] per cent. per annum
22.	Maximum Interest Rate:	[ ] per cent. per annum
23.	Interest Payment Dates or (if the Applicable Business Day Convention is the FRN Convention) Interest Period:	[*Specify dates (or if the Applicable Business Day Convention is the FRN Convention) number of months*]
24.	Interest Period End Dates or (if the Applicable Business Day Convention is the FRN Convention) Interest Accrual Period:	[*Specify*] (*If nothing is specified Interest Period End Dates will correspond with Interest Payment Dates*)
25.	Applicable Business Day Convention:	[*Specify, unless no adjustment is required in which case specify "No Adjustment"*] (*Note that these conventions are only to apply for the purposes of accrual of interest. Thus, a fixed rate Instrument should normally specify "No Adjustment", but for purposes of payment, a modification may be required to match a swap*

		(see paragraph 53 "Payments" below). Care should be taken to match the maturity date (as well as other key dates) of the Exempt Instruments with any underlying swap transaction. Since maturity dates do not automatically move with business day conventions under ISDA, it may be necessary to specify "No Adjustment" in relation to the maturity date of the Exempt Instruments to disapply the Applicable Business Day Convention)
	– for Interest Payment Dates:	[ ]
	– for Interest Period End Dates:	[ ]
	– for Maturity Date:	[ ]
	– any other date:	[ ]
26.	Relevant Financial Centres:	[*Specify if different from Condition 6.14*]
27.	Day Count Fraction:	[*Specify*]
28.	Interest Commencement Date:	[*Specify, if different from the Issue Date*]
29.	Interest Determination Date:	[*Specify number of Banking Days in which city(ies), if different from Condition 6.14*]
30.	Relevant Time:	[*Specify if different from Condition 6.14*]
31.	Default Interest Rate:	[*Specify if different from the Interest Rate*]
32.	Reset Rate Instruments: (Condition 6.3)	[*Specify each of the below where Reset Rate is selected in paragraph 17 above*]
	– Initial Rate of Interest:	[ ] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]
	– Interest Payment Date(s):	[[ ] in each year from and including [ ], up to and including [ ]]
	– Reset Determination Date(s):	[[ ] in each year][Not Applicable]
	– First Reset Date:	[ ]
	– Second Reset Date:	[ ]/[Not Applicable]
	– Subsequent Reset Date(s):	[ ] [and [ ]]/[Not Applicable]
	– Mid-Swap Rate:	[ ]
	– Mid-Swap Rate Conversion:	[Applicable/Not Applicable]
	– Original Mid-Swap Rate Basis:	[Annual/Semi-annual/Quarterly/Monthly]

–	Mid-Swap Floating Leg Maturity:	[ ]
–	Mid-Swap Floating Leg Benchmark Rate Replacement:	[Applicable/Not Applicable]
–	Initial Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*)
	- Initial Mid-Swap Rate:	[ ] per cent.
–	Reset Period Maturity Initial Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraph of this paragraph*)
	- Reset Period Maturity Initial Mid-Swap Rate:	[ ] per cent.
–	Last Observable Mid-Swap Rate Final Fallback:	[Applicable/Not Applicable]
–	First Reset Margin:	[+/-][ ] per cent. per annum
–	Subsequent Reset Margin:	[+/-][ ] per cent. per annum
–	Relevant Screen Page:	[ ]
–	Relevant Time:	[ ]
33.	Calculation Agent:	[*Specify name and specified office*]
34.	Reference Banks:	[*Specify*]
35.	Reference Rate Replacement:	[Applicable/Not Applicable]
36.	If non-interest bearing:	
–	Amortisation Yield:	[*Specify*]
–	Rate of interest on overdue amounts:	[*Specify, if not the Amortisation Yield*]
–	Day Count Fraction:	[*Specify for the purposes of Condition 6.15 and Condition 7.15*]
37.	Index Linked Interest Instruments:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Formula for calculating interest rate including provisions for	[*Give or annex details*]

	determining the Interest Amount where calculation by reference to Index/Indices is impossible or impracticable and other back-up provisions:	
(b)	Whether the Exempt Instruments relate to a basket of indices or a single index, the identity of the relevant Index/Indices and details of the relevant index sponsors and whether such Index/Indices is/are a Multi-Exchange Index:	[Basket of Indices/Single Index] [*Give or annex details*] [Details of each Index Sponsor] Multi-Exchange Index: [Yes/No] (*Multi-Exchange Index only applies in relation to the Euro Stoxx Indices unless otherwise agreed*)
(c)	Exchange(s):	[ ]
(d)	Related Exchange(s):	[[ ]/All Exchanges]
(e)	[Valuation Dates/Averaging Dates]:	[ ]
	[Adjustment provisions in the event of a Disrupted Day:	[Omission/Postponement/Modified Postponement] (*Only applicable where Averaging Dates are specified*)]
	[Averaging Roll Days:	[ ] (*Only applicable where Modified Postponement is specified*)]
	[Valuation Roll Days:	[ ]
	[Reference Price:	[Condition 8.4 applies/*other*] (*If fallback set out in the definition of "Valuation Date" in Condition 8.4 does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day*)]
(f)	Valuation Time:	[Condition 8 applies/*other*]
(g)	Strike Price(s):	[ ]
(h)	Multiplier for each Index comprising the basket:	[*Insert details*/Not Applicable]
(i)	Trade Date:	[ ]
(j)	Correction of Index Levels:	Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently

			published correction] (*If Correction of Index Levels does not apply, delete the following subparagraph*)
		[Correction Cut-Off Date:	[ ] Business Days prior to each Interest Payment Date]/[In relation to Averaging Dates other than the final Averaging Date, [ ] days after the relevant Averaging Date and in relation to the final Averaging Date, [ ] Business Days prior to the Maturity Date]
	(k)	Other terms and special conditions:	[ ]
38.	Equity Linked Interest Instruments:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a)	Formula for calculating interest rate including provisions for determining the Interest Amount where calculation by reference to Underlying Equity/Equities is impossible or impracticable and other back-up provisions:	[*Give or annex details*]
	(b)	Whether the Instruments relate to a basket of equity securities or a single equity security, and the identity of the relevant issuer(s) of the Underlying Equity/Equities:	[Basket of Underlying Equities/Single Underlying Equity] [*Give or annex details*]
	(c)	Exchange(s):	[ ]
	(d)	Related Exchange(s):	[[ ]/All Exchanges]
	(e)	Potential Adjustment Events:	[Applicable/Not Applicable]
	(f)	De-listing, Merger Event, Nationalisation and Insolvency:	[Applicable/Not Applicable]
	(g)	Tender Offer:	[Applicable/Not Applicable]
	(h)	Equity Substitution:	[Applicable/Not Applicable]
	(i)	Correction of Underlying Equity Prices:	Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction] (*If Correction of Underlying Equity Prices does not apply, delete the following subparagraph*)

	[Correction Cut-Off Date:	[ ] Business Days prior to each Interest Payment Date]/[In relation to Averaging Dates other than the Final Averaging Dates, [ ] days after the relevant Averaging Date and in relation to the Final Averaging Date, [ ] Business Days prior to the Maturity Date]
(j)	[Valuation Dates/Averaging Dates]:	[ ]
	[Adjustment provisions in the event of a Disrupted Day:	[Omission/Postponement/Modified Postponement] (*Only applicable where Averaging Dates are specified*)]
	[Averaging Roll Days:	[ ] (*Only applicable where Modified Postponement is specified*)]
	[Valuation Roll Days:	[ ]]
	[Reference Price:	[Condition 9.3 applies/*other*] (*If fallback set out in the definition of "Valuation Date" in Condition 9.3 does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day*)
(k)	Valuation Time:	[Condition 9.3 applies/*other*]
(l)	Strike Price:	[ ]
(m)	Exchange Rate:	[Applicable/Not Applicable] [*Give details*]
(n)	Multiplier for each Underlying Equity comprising the basket (which is subject to adjustment as set out in Condition 9.2):	[Not Applicable/*Give details*]
(o)	Trade Date:	[ ]
(p)	Other terms and special conditions:	[ ]

PROVISIONS RELATING TO REDEMPTION

39.	Maturity Date:	[*Specify date (or Interest Payment Date occurring in month and year if FRN Convention applies)*] (*In the case of Exempt Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman*

		Islands) Limited, if the issue proceeds are received in the United Kingdom (in the case of Instruments issued by ERB Hellas (Cayman Islands) Limited only) and the Maturity Date is less than one year from the Issue Date, the Exempt Instruments must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to "professional investors" (or another applicable exemption from section 19 of the FSMA must be available))
40.	Dates for payment of Instalment Amounts (Instalment Exempt Instruments):	[*Specify dates (or Interest Payment Dates occurring in months and years if FRN Convention applies)*]
41.	Maturity Redemption Amount:	[*Specify, if not the Outstanding Principal Amount*] (*Where Instruments are Index Linked Redemption Instruments or Equity Linked Redemption Instruments, see paragraph 49, 50 or 51 below as applicable*)
42.	Instalment Amounts:	[*Specify*]
43.	Proceeds On-Loan Tax Call:	[Applicable/Not Applicable]
44.	Early Redemption for Taxation Reasons:	
	Early Redemption Amount (Tax):	[*Specify, if not the Outstanding Principal Amount or, in the case of any Exempt Instruments which are non-interest bearing, the Amortised Face Amount*]
45.	Early Redemption for Capital Disqualification Event: (Condition 7.3)	[Applicable/Not Applicable]
	Early Redemption Amount (Capital Disqualification Event):	[*Specify, if not the Outstanding Principal Amount or, in the case of any Instruments which are non-interest bearing, the Amortised Face Amount*]
46.	Optional Early Redemption (Call):	[Yes/No]
	(a) Early Redemption Amount (Call):	[*Specify, if not the Outstanding Principal Amount or, in the case of any Exempt Instruments which are non-interest bearing, the Amortised Face Amount*]
	(b) Series redeemable in part:	[Applicable/Not Applicable]
	(c) Call Option Date(s)/Call Option Period:	[*Specify*] *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of*

		distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
	(d) Maximum Redemption Amount:	[None/*Specify*]
	(e) Minimum Redemption Amount:	[None/*Specify*]
47.	Optional Early Redemption (Put):	[Yes/No] (*Only available for Unsubordinated Instruments*)
	(a) Early Redemption Amount (Put):	[ ] per Calculation Amount
	(b) Put Date(s)/Put Period:	[*Specify*] *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
48.	[Autocall:	[Applicable/Not Applicable]
	[Autocall Event:]	[ ]
	[Autocall Redemption Amount:]	[ ]
	[Autocall Redemption Date:]	[ ]]
49.	Index Linked Redemption Instruments:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a) Whether the Instruments relate to a basket of indices or a single index, the identity of the relevant Index/Indices and details of the relevant index sponsors and whether such Index/Indices is/are a Multi-Exchange Index:	[Basket of Indices/Single Index] [Give or annex details] [*Specify details of each Index Sponsor*] Multi-Exchange Index: [Yes/No] (*Multi-Exchange Index only applies in relation to the Euro Stoxx Indices unless otherwise agreed*)
	(b) Calculation Agent responsible for making calculations pursuant to Condition 8:	[*Specify name and specified office*]

(c)	Exchange(s):	[ ]
(d)	Related Exchange(s):	[[ ]/All Exchanges]
(e)	Maturity Redemption Amount:	[*Express per Calculation Amount*]
(f)	[Valuation Date/Averaging Dates]:	[ ]
	[Adjustment provisions in the event of a Disrupted Day:	[Omission/Postponement/Modified Postponement]
		(*Only applicable where Averaging Dates are specified*)]
	[Averaging Roll Days:	[ ]
		(*Only applicable where Modified Postponement is specified*)]
	[Valuation Roll Days:	[ ]]
	[Reference Price:	[Condition 8.4 applies/other]
		(*If fallback set out in the definition of "Valuation Date" in Condition 8.4 does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day*)]
(g)	Valuation Time:	[Condition 8.4 applies/*other*]
(h)	Strike Price(s):	[ ]
(i)	Multiplier for each Index comprising the basket:	[*Insert details*/Not Applicable]
(j)	Trade Date:	[ ]
(k)	Correction of Index Levels:	Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]
		(*If Correction of Index Levels does not apply, delete the following subparagraph*)
	[Correction Cut-Off Date:	[[ ] Business Days prior to the Maturity Date/In relation to Averaging Dates other than the final Averaging Date, [ ] days after the relevant Averaging Date and in relation to the final Averaging Date, [ ] Business Days prior to the Maturity Date]]

	(l)	Other terms or special conditions:	[ ]
50.	Equity Linked Redemption Instruments:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a)	Whether the Instruments relate to a basket of equity securities or a single equity security and the identity of the relevant issuer(s) of the Underlying Equity/Equities:	[Basket of Underlying Equities/Single Underlying Equity] [*Give or annex details of each Underlying Equity and each Equity Issuer*]
	(b)	Calculation Agent responsible for to making calculations pursuant Condition 9:	[*Specify name and specified office*]
	(c)	Exchange(s):	[ ]
	(d)	Related Exchange(s):	[[ ]/All Exchanges]
	(e)	Potential Adjustment Events:	[Applicable/Not Applicable]
	(f)	De-listing, Merger Event, Nationalisation and Insolvency:	[Applicable/Not Applicable]
	(g)	Tender Offer:	[Applicable/Not Applicable]
	(h)	Equity Substitution:	[Applicable/Not Applicable]
	(i)	Correction of Underlying Equity Prices:	Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction] (*If Correction of Underlying Equity Prices does not apply, delete the following subparagraph*)
		[Correction Cut-Off Date:	[[ ] Business Days prior to the Maturity Date]
	(j)	Maturity Redemption Amount:	[*Express per Calculation Amount*]
		[Valuation Date/Averaging Dates]:	[ ]
		[Adjustment provisions in the event of a Disrupted Day:	[Omission/Postponement/Modified Postponement] (*Only applicable where Averaging Dates are specified*)]
		[Averaging Roll Days:	[ ] (*Only applicable where Modified Postponement is specified*)]

		[Valuation Roll Days:	[ ]]
		[Reference Price:	[ ] [Condition 9.3 applies [and the Reference Price shall be determined by reference to the price of the relevant Underlying Equity at the Valuation Time on the [Valuation Date]/[Averaging Date] [other] (*If fallback set out in the definition of "Valuation Date" in Condition 9.3 does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day*)
	(k)	Valuation Time:	[Condition 9.3 applies/*other*]
	(l)	Strike Price:	[ ]
	(m)	Exchange Rate:	[Applicable/Not Applicable] [*Insert details*]
	(n)	Multiplier for each Underlying Equity comprising the basket (which is subject to adjustment as set out in Condition 9.2):	[*Insert details*/Not Applicable]
	(o)	Trade Date:	[ ]
	(p)	Other terms or special conditions:	[ ]
51.		Additional Disruption Events:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a)	Change in Law:	[Applicable/Not Applicable]
	(b)	Hedging Disruption:	[Applicable/Not Applicable]
	(c)	Increased Cost of Hedging:	[Applicable/Not Applicable]
	(d)	Increased Cost of Stock Borrow:	[Applicable/Not Applicable]
	(e)	Loss of Stock Borrow:	[Applicable/Not Applicable]
	(f)	Equity Substitution:	[Applicable/Not Applicable]
	(g)	Trade Date:	[ ]
52.		[Events of Default (Condition 11.1) / Subordinated Default Events	

(Condition 11.3) / Illegality (Condition 7.10) / Adjustments to an Index (Condition 8.2) / De-listing, Merger Event, Nationalisation and Insolvency and/or Tender Offer (Condition 9.2) / Additional Disruption Events (Condition 10.2)]:

(a) Early Termination Amount: [*Specify, if not the Outstanding Principal Amount or, in the case of any Exempt Instruments which are non-interest bearing, the Amortised Face Amount*]

[In respect of each Calculation Amount, an amount in [*insert Currency*] determined by the Calculation Agent which represents the fair market value of such Calculation Amount [(which for the avoidance of doubt shall be deemed to include amounts in respect of interest (if any))] immediately prior to the date on which the Instruments are to be redeemed less (except in the case of early redemption pursuant to Condition 11) the cost to the Issuer[, the Guarantor] and/or any of their Affiliates of unwinding any related hedging arrangements. For the purposes of determining the fair market value of the Instruments for the purposes of Condition 11, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligation in respect of the Instruments. If the Instruments have become redeemable pursuant to Condition 7.10 (Illegality), then Condition 7.10 shall be amended by the deletion of the words "together with all interest (if any) accrued thereon". If the Instruments have become redeemable pursuant to Condition 11 (Events of Default), then Condition 11.2 shall be amended by the deletion of the words "together with all interest (if any) accrued thereon"] (*Consider inserting for Index Linked Instruments or Equity Linked Instruments but also consider how any accrued interest is to be treated*)

(b) Any additional (or modifications to) [Events of Default/Subordinated Default Events]: [*Specify*]

53. Payments:

(a) Unmatured Coupons missing upon Early Redemption: [*Specify whether paragraph (i) or paragraph (ii) of Condition 13A.5 applies. If nothing is specified paragraph (i) will apply to fixed rate or fixed coupon amount Instruments and paragraph (ii)*

		will apply to floating rate or variable coupon amount Instruments]
	(b) Specify any modification to the adjustment provisions for payment dates:	[*Specify whether e.g. the Modified Following Business Day Convention should apply for purposes of payment*]
54.	Replacement of Exempt Instruments:	[*Specify Replacement Agent, if other than (or in addition to) the Issue and Paying Agent*]
55.	Notices:	[*Specify any other means of effective communication*]

FURTHER INFORMATION

56.	Other Relevant Terms and Conditions:	[ ]

RESPONSIBILITY

[Subject as set out below,] the Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement. [The information relating to [ ] (the "Reference Information") contained herein has been accurately reproduced from [*insert information source(s)*]. [Each of/The] Issuer [and the Guarantor] accepts responsibility that [the Reference Information] has been accurately reproduced and, so far as the Issuer [and the Guarantor] [is/are] aware and [is/are] able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[**ERB HELLAS PLC** as Issuer

By: .....
Authorised Signatory

Date:.....]

[ERB HELLAS (CAYMAN ISLANDS) LIMITED as Issuer

By: .....
Authorised Signatory

Date:.....]

EUROBANK ERGASIAS S.A. as [Issuer/Guarantor]

By: .....
Authorised Signatory

Date: .....

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	[Not listed/[ ]] (*Exempt Instruments may not be listed on a European Economic Area stock exchange*)
(ii)	Admission to trading:	[Not Applicable/[ ]] (*Exempt Instruments may not be admitted to trading on a regulated market in the European Economic Area*)
(iii)	Estimate of total expenses related to admission to trading:	[Not Applicable/[ ]]

2. RATINGS

Ratings:	[The Instruments to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*]] (*The above disclosure should reflect the rating allocated to Instruments of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating*) [[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Instruments has an interest material to the offer.] (*Amend as appropriate if there are other interests*)

4. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	Common Code:	[ ]
(iii)	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	[Not Applicable/*give name(s, addresses) and number(s)*]
(iv)	Settlement Procedures:	[*Specify whether customary medium term note/*

		eurobond/other settlement and payment procedures apply]
(v)	Delivery:	Delivery [against/free of] payment
(vi)	Names and addresses of additional Paying Agent(s) (if any):	[ ]
(vii)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "Yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met] [No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Instruments are capable of meeting them the Instruments may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Instruments will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

5. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(iii)	Stabilising Institution(s) (if any):	[In connection with the issue of the Instruments, [*name of Stabilising Institution*] (or persons acting on behalf of [*name of Stabilising Institution*] may over-allot Instruments or effect transactions with a view to supporting the market price of the Instruments at a level higher than that which might otherwise prevail. However, there is no assurance that [*name of Stabilising Institution*] (or persons acting on behalf of [*name of Stabilising Institution*]) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the

		Instruments is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Instruments and 60 days after the date of the allotment of the Instruments. Any such stabilisation or over-allotment must be conducted by [*name of Stabilising Institution*] (or person(s) acting on behalf of [*name of Stabilising Institution*]) in accordance will all applicable laws and rules]
(iv)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]
(v)	U.S. Selling Restrictions:	Regulation S, Category 2 restrictions apply to the Instruments [TEFRA C / TEFRA D / TEFRA not applicable] [Specify whether the Instruments are subject to TEFRA C or TEFRA D Rules or whether TEFRA is not applicable. In the absence of specification TEFRA D Rules will apply]
(vi)	Other Selling Restrictions:	[*Specify any modifications of or additions to selling restrictions contained in Dealership Agreement*]
(vii)	U.S. federal income tax considerations	[The Instruments are [not] Specified Instruments for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986. [Additional information regarding the application of Section 871(m) to the Instruments will be available at [*give name(s) and address(es) of Issuer contact*].]] [As at the date of this Pricing Supplement, the Issuer has not determined whether the Notes are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Securities for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. [Please contact [*give name(s) and address(es) of Issuer contact*] for further information regarding the application of Section 871(m) to the Notes.][2]] *(The Instruments will not be Specified*

[2] This formulation to be used if the Issuer has not made a determination regarding whether the Instruments are Specified Instruments as of the date of the Pricing Supplement.

Instruments if they (i) are issued prior to 1 January 2019 and are not "delta-one" for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Instruments reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to 1 January 2019 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued on or after 1 January 2019, further analysis would be required.)

(viii)	Prohibition of Sales to European Economic Area Retail Investors:	[Applicable/Not Applicable]

6. OTHER INFORMATION

[*E.g. risk factors relating to a specific issue of Exempt Instruments*]

USE OF PROCEEDS

The net proceeds of the issue of each Tranche of Instruments will be applied by the relevant Issuer to meet part of the general financing requirements of the Bank and its subsidiaries.

EUROBANK ERGASIAS S.A.

Overview*

The Bank and its consolidated subsidiaries (the "Group") is one of the four systemic banks in Greece, operating in key banking product and service markets. As at 31 December 2017, the Bank had €60 billion, €47.2 billion and €33.8 billion in consolidated total assets, gross loans and advances to customers and customer deposits, respectively, a network of 700 branches and a worldwide workforce of 13,512 employees. Eurobank's registered office is at 8 Othonos Street, Athens 10557, Greece and its telephone number is +30 210 333 7000.

Eurobank offers a wide range of financial services to the Group's retail and corporate clients. Eurobank has a strategic focus in Greece in fee-generating activities, such as asset management, private banking, equity brokerage, treasury sales, investment banking, leasing, factoring, real estate and trade finance. The Bank is also among the leading providers of banking services and credit to SMEs, small businesses and professionals, large corporates and households. Eurobank's Greek operations for the period ended 31 December 2017 accounted for 77 per cent. of the Bank's operating income, with international operations accounting for the remaining 23 per cent.

Eurobank has an international presence in six countries outside of Greece, with operations in Bulgaria, Serbia, Cyprus, Romania, Luxembourg and the United Kingdom, which, at 31 December 2017, collectively represented 254 branches and 26 business centres and 30 per cent. of the Bank's total workforce. As at 31 December 2017, the Bank's international operations had €11.4 billion in total assets (19 per cent. of the Group's total), €6.4 billion in gross loans (14 per cent. of the Group's total) and €9.3 billion in customer deposits (28 per cent. of the Group's total).

Eurobank Group Key Financials

€m	**4Q17**	**3Q17**	**FY17**	**FY16**
Core Pre-provision income	217	213	837	793
Pre-provision income	267	240	987	1,004
Net profit/(loss) before tax, discontinued operations and restructuring costs	40	57	194	203
Net profit/(loss) attributable to shareholders	43	(15)	104	235
Ratios (%)	**4Q17**	**3Q17**	**FY17**	**FY16**
Net interest margin	2.55	2.46	2.41	2.22
Cost/income	45.9	48.1	47.5	47.4
Cost of risk	2.21	1.90	2.00	1.94
NPE	42.6	44.7	42.6	46.0
NPE coverage	50.4	51.6	50.4	50.6
90dpd	33.4	35.2	33.4	35.3
90dpd coverage	64.3	65.5	64.3	66.0
Loans/Deposits	109.6	112.0	109.6	117.6

*Note: Excluding Romania operations that are classified as held for sale – Comparative figures have been adjusted to exclude Romanian disposal group and Grivalia subgroup operations (until June 2017), which have been presented as discontinued.

End of participation in the Greek Economy Liquidity Support Program (Law 3723/2008)

The Bank, following the maturity on 30 October 2017, of the remaining bonds guaranteed by the Greek Government (Pillar II of the Greek Economy Liquidity Support Program) and the full redemption of its preferences shares held by the Greek State (Pillar I of the Greek Economy Liquidity

Support Program) on 17 January 2018, pursuant to the resolution of the Extraordinary General Meeting of the Shareholders (ordinary and preference) dated 3 November 2017, does not participate in the Greek Economy Liquidity Support Program under Law 3723/2008, as amended and supplemented.

On 18 January 2018, the Bank announced the completion of the full redemption of its preferences shares without voting rights held by the Hellenic Republic of total nominal value €950,125,000, according to the provisions of par. 1a, article 1, of Law 3723/2008 and the decisions of its Extraordinary General Meeting of its common shareholders as at 3 November 2017.

The redemption has been completed partially with cash and partially with the issuance of Tier 2 capital instrument of total amount €950,000,000 according to the EU Regulation 575/2013 and does not have any impact on the Group's CET1 based on the full implementation of Basel III rules.

Pursuant to the terms of Redemption and Subscription Agreement between the Bank and the Greek State, the Tier 2 instruments have a maturity of ten years (until 17 January 2028) and pay fixed nominal interest rate of 6.41 per cent. (recognised in the income statement), which shall be payable semi-annually at the last day of the sixth and twelfth month each year.

Finally, further to the full redemption on 17 January 2018 of the preference shares issued by the Bank and subscribed to by the Greek State (Pillar I) and the full repayment on 30 October 2017 of the Pillar II bonds issued by the Bank under the Greek State guarantee, Eurobank's BoD acknowledged on 9 March 2018 that the Bank ceased to be subject to the provisions of the Greek Economy Liquidity Support Program under Law 3723/2008 and that the Greek State's right to participate, through its representative, to the Bank's BoD has ceased to exist as of 17 January 2018. Moreover, the BoD decided that Ms. Androniki Boumi is appointed to the Bank's BoD as non-executive Director, her tenure being equal to the tenure of the other BoD members.

Recapitalisation

Eurobank's share capital increases

In March 2012, the Bank of Greece prepared a strategic review of the Greek banking sector. The review evaluated the sustainability prospects of Greek banks by applying a wide set of supervisory and operational data, as well as data from BlackRock's 2011 diagnostic assessment of the Greek banking sector commissioned by the Bank of Greece. Eurobank's capital needs were estimated at approximately €5,800 million. Eurobank completed its recapitalisation in the first half of 2013 and received capital support from HFSF of approximately €5,800 million. Following this, HFSF owned approximately 95 per cent. of the shares in Eurobank.

Pursuant to the terms of the May 2013 Memorandum of Economic and Financial Policies ("MEFP") of the Second Adjustment Programme for Greece, the Bank of Greece conducted follow up stress tests on the basis of data as at 30 June 2013, to update its assessment of the capital needs of Greek banks. The Bank of Greece also commissioned BlackRock to conduct a second independent diagnostic exercise on the loan portfolios of Greek banks, including updated stress tests. The Bank of Greece assessed Eurobank's capital needs at that time to be €2,945 million under the baseline scenario. Eurobank completed a further recapitalisation in May 2014, increasing its share capital by €2,771.6 million. The new shares were placed entirely with private investors and following this share capital increase, HFSF owned approximately 35 per cent. of the share capital of Eurobank.

In November 2015, Eurobank completed a further recapitalisation, this time increasing its share capital by €2,039 million. This was in response to the findings of the European Central Bank's CA exercise in 2015.

In this context, on 3 November 2015, the Bank's Board of Directors, resolved to call an Extraordinary General Meeting on 16 November 2015 to approve a share capital increase (the "SCI") of up to €2,122 million. On 13 November 2015, the Single Supervisory Mechanism of the ECB recognised €83 million of capital generation that could be taken into account to reduce the Bank's total capital shortfall identified as part of the CA. Following this recognition, the maximum amount of capital to be raised through the SCI reduced to €2,039 million.

The capital increase was effected by means of a private placement to institutional and other eligible investors in Greece and internationally through a book building process, with the Bank's existing ordinary shareholders and preference shareholder waiving their pre-emption rights.

In combination with the aforementioned SCI a liability management exercise (the "LME"), was launched by Eurobank on 29 October 2015 relating to the tender offer of €877 million (face value) of outstanding eligible senior unsecured, Tier I and Tier II securities.

Based on the results of the bookbuilding process, the Bank's Board of Directors set the offer price at €0.01 per offered new share or €1.00 following the 100-to-1 reverse stock split. Accordingly, on 23 November 2015, following the completion of the SCI of total amount of €2,039 million, the Bank announced that the 2,038,920,000 new ordinary registered shares were allocated as follows: (a) 1,621,150,153 of the new shares (80 per cent. of all new shares) to qualified investors, eligible institutional and other investors who meet certain criteria; and (b) 417,769,847 of the new shares (20 per cent. of total of all new shares) to investors whose securities had been finally accepted for purchase in accordance with the terms and conditions of the Bank's LME.

The new shares are listed on the main market of the Athens Exchange and their trading commenced on 2 December 2015.

2018 Stress Tests Results

Based on feedback received by the Single Supervisory Mechanism (SSM), the Stress Test outcome along with other factors have been assessed by its Supervisory Board (SB), pointing to no capital shortfall and no capital plan needed as a result of the exercise.

Under the adverse scenario, Eurobank's total capital adequacy ratio (CAD), including the effect of Tier 2 securities, issued in January 2018, is 9.5 per cent., and the Core Tier 1 Capital (CET1) ratio is 6.8 per cent. These ratios would be ca. 40 bps higher, at 9.9 per cent. and 7.2 per cent. respectively, if the positive impact from the sale of Bancpost Romania (closed in April 2018) was taken into account[1]. The capital depletion stood at €3.4 billion (8.7ppts)[2].

Under the baseline scenario, the Bank is capital accretive, with CAD and CET1 ratios increasing at 19.3 per cent. and 16.6 per cent., respectively. These ratios would be ca. 40 bps higher if the positive impact from the sale of Bancpost was included.

1 Due to the Stress Test static balance sheet assumption, divestments not completed before 2017 year-end have not been taken into account in the Stress Test, even if they had already been agreed and the relevant impairment recorded by that date. This resulted to lower CAD and CET1 ratios, as compared to the one that would have been calculated if these divestments had been taken into consideration.

2 Excluding the technical effect of 250 bps capital depletion related to the grandfathering of preference shares ended on 1 January 2018.

Restructuring plan

On 29 April 2014, the European Commission ("EC") approved the Bank's restructuring plan, as it was submitted through the Greek Ministry of Finance on 16 April 2014. In addition, on 26 November 2015,

the EC approved the Bank's revised restructuring plan in the context of the recapitalisation process in 2015. The principal commitments of the Hellenic Republic for the Bank's revised restructuring plan to be implemented by 31 December 2018 (or otherwise indicated below) are disclosed below:

(a) the reduction of the total costs (excluding any contribution to a deposit guarantee or resolution fund) to a maximum amount of €750 million and the number of branches for the Group's Greek activities to a maximum of 510 on 31 December 2017;

(b) the decrease of the cost of deposits collected in Greece, according to the Bank's own projections incorporated into the plan;

(c) the sale of a minimum 80 per cent. shareholding in the Group's insurance activities by 31 December 2016; the disposal of the 80 per cent. of the shareholding in its insurance subsidiaries was completed in August 2016;

(d) the deleveraging of the portfolio of equity investments exceeding €5 million (subject to certain exceptions), subordinated and hybrid bonds to less than €35 million by 30 June 2016;

(e) for the Group's Greek activities, the reduction of the number of employees to a maximum of 9,800 by 31 December 2017; the number of employees for the Greek activities was reduced to 9,418 for the aforementioned period through the implementation of the Voluntary Exit Schemes (VES), which are still in progress;

(f) the reduction of the net loans to deposits ratio for the Group's Greek banking activities to less than 115 per cent.; the further deleveraging of loans and the increase in deposits during 2017 have improved the loans to deposits ratio;

(g) the reduction of the portfolio of the Group's foreign assets (non-related to Greek clients) to a maximum amount of €8.77 billion by 30 June 2018;

(h) the sale of the 20 per cent. shareholding in its non-banking subsidiary Grivalia Properties R.E.I.C.; on 4 July 2017, the Bank announced the successful sale of its 20 per cent. shareholding in Grivalia Properties R.E.I.C.; and

(i) restrictions on the capital injection to the Group's foreign subsidiaries unless the regulatory framework of each relevant jurisdiction requires otherwise, the purchase of non-investment grade securities (subject to certain exceptions), the staff remuneration, the payment of dividends, the credit policy to be adopted and other strategic decisions.

By 31 December 2017, the Group has already met/respected the commitments referring to items 'a' to 'e' and 'h' to 'i'. In respect to the commitment referring to item 'g', on 3 April 2018, Eurobank Group concluded the sale of its Romanian subsidiaries, Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. to Banca Transilvania. As such, the Bank fulfilled its commitment for the reduction of its foreign footprint. In respect of the commitment referring to item 'f', which should be implemented within 2018, the Group proceeds to all actions and initiatives required to meet it within the prescribed deadlines. Such actions have been reflected in the three-year Business Plan approved by the Board of Directors in January 2018.

The implementation of the restructuring plan streamlines the Group's operations and reduces the Group's costs thereby sustaining its profitability.

Eurobank's Strategy

The Bank has developed a strategy to enable its business to operate profitably and maintain a strong capital base in the current economic situation in Greece. The primary target of the Group is to achieve sustained profitability, through further expansion of the pre-provision income, substantial reduction in credit provisions and strengthening of international operations business profits. The initial phase of this strategy has been implemented and the key components of the next phase of this strategy are as follows:

Focus on segments with liquidity and profitability potential, aiming to become Eurobank's clients' primary bank

The Bank will focus its business generation activity on those parts of its customer base where it has a strong market position, in particular, corporate, SME, small businesses and professionals ("SBs") and affluent individual customers. These customer segments also have the potential to provide high levels of liquidity (e.g. deposits) and profitable business opportunities.to the Bank. Within each such customer segment, the Bank will focus on those customers who have the highest business opportunities potential, based on the liquidity, resilience in the financial crisis, and competitiveness within their respective business sectors, and will aim to become the primary banking relationship for such customers. The Bank has adopted a segment-based organisational structure, which identifies clients according to client size, complexity and revenue potential. The Bank also uses advanced client profitability measurement tools and key performance indicators, such as economic value added and risk-adjusted return on capital. The Bank believes that the combination of its organisational structure and its advanced analytics tools will enable it to identify and develop the customer relationships that deliver the highest levels of profitability and liquidity.

Offer differentiated service levels based on customer value to the Group

The Bank will differentiate its customer service, offering a high quality service model to targeted customer segments and a low cost service model to other customer segments. This strategy will be enabled by its dual-brand network, digital distribution channels (such as phone banking, e-Banking and m-Banking) and customer analytics capabilities, which will assist the Bank in identifying what matters most to different customers.

Offer a wide array of ancillary services through dedicated teams and enabling tools, aiming to increase the Bank's fee and commission income and deposit gathering

The Bank's leading market positions in key fee-generating businesses provides an opportunity to increase its fee and commission income and to enhance its deposit gathering. The Bank intends to achieve this through:

- offering risk and liquidity management services for business clients, combined with its transaction banking and cash management offering;
- cross-selling capital-light products, in particular, pursuing opportunities to cross-sell its products to customers of the former New TT HPB; and
- expanding the POS terminal network and range of e-products, demand for which is growing in response to capital controls and anti-tax evasion measures.

The Bank believes its expertise in providing advisory services on European funding programmes, as well as its "Exportgate" platform and leading position in fee generating activities, including factoring, cash management, trade finance, corporate finance, debt capital markets and brokerage, will support this strategy.

Pursue digital transformation to become a leader in digital banking

The Bank aims to enhance efficiency, improve service excellence and become a digital banking leader through the adoption and increased use of advanced IT systems and tools. The Bank actively pursues a number of initiatives, which include the accelerated development and promotion of all the Bank's alternative distribution channels with a unique customer experience, such as e-Banking and m-Banking, as well as the end-to-end digitisation of its operations.

Reduce costs through an efficient operating model and structural changes to increase efficiency
The Bank has identified a number of initiatives that it is pursuing to increase efficiency and reduce costs. These initiatives include:

- future centralising its service and support functions and consolidating reporting lines;
- optimising its network footprint;
- reducing its non-staff related costs, including real estate and procurement;
- streamlining its operational processes and procedures, and organisational structures;
- reviewing selective outsourcing and in-sourcing opportunities;
- streamlining its product portfolios and reducing the number of product codes; and
- further rationalising its international operations with a focus of liquidity and profitability.

Implement a robust NPE strategy to manage the Bank's NPE stock

The Bank aims to reduce significantly the level of its NPE stock. To address this issue, the Bank has already proceeded with the following strategic actions:

- established a fully operational NPE Unit focused on curing and collecting NPEs directly and through partnerships;
- established an independent Troubled Assets Committee ("TAC") providing strategic guidance and monitoring;
- partnered with another Greek systemic bank, with KKR and EBRD for large corporate NPEs turnaround; and
- the sale of a non-performing unsecured consumer loan portfolio of unpaid total principal amount of €1.5 billion to Intrum Group The servicing of the portfolio has been delegated to Financial Planning Services S.A., which is the 100 per cent. owned by Eurobank licensed NPL servicer.

History and Development of the Group

The Bank was incorporated under the laws of Greece on 11 December 1990 under the name "Euromerchant Bank S.A.". Following the acquisition of a controlling interest in the Bank of Athens (incorporated as a legal entity in 1924) in 1998, the Bank was absorbed by the latter in March 1999 and is presently operating as a credit institution in the form of a *société anonyme* under Law 2190/1920, Law 4261/2014 and other laws applicable to credit institutions and listed companies in general, and is registered with the Hellenic Ministry of Economy and Development (General Electronic Commercial Registry ("G.E.M.I.") with registration number 000223001000). The Bank's ordinary shares were listed on the Athens Exchange ("ATHEX") in 1999. As at the date of this Base Prospectus, the Bank is the principal operating company of the Group and the direct or indirect parent company of the operating subsidiaries in the Group.

Retail Banking

Overview

Eurobank is one of the leading financial institutions in Greece with a significant role in the country's retail banking landscape, with 396 branches (of which 77 are operating under the New Hellenic Postback ("HPB") brand of the former New TT HPB) as at 31 December 2017. The Bank offers its retail customers a broad range of deposit, loan, investment and bancassurance products as well as other retail banking services.

The Bank's current retail banking model is structured around its core customer segments, a multi channel distribution platform and centralised, integrated product units. The Bank's core segments cover individuals (which includes affluent individuals, salary earners and mass clients), as well as SBs. The Bank's multichannel distribution platform includes a nationwide network of branches with segment oriented relationship managers, digital distribution channels (such as phone banking, e Banking and m Banking), the Greek postal offices network, as well as other third party partners (e.g. automobile dealers, real estate brokers). Finally, the Bank's centralised product units design and deliver the whole spectrum of retail banking products and services with a focus on customer relevance and efficiency.

For the fourth consecutive year, Eurobank Retail Banking has been awarded as the Best Retail Bank in Greece from World Finance Magazine. Eurobank has consistently differentiated itself against the competition primarily through its customer driven and technology enabled innovation as well as its customer service. Eurobank's objective is to set the client at the epicentre of its business model based on the principles of simplicity, transparency and seamlessness and to build solid, well-rounded banking relationships with its clients. On this front, Eurobank's ongoing transformation from a product-centric to a customer centric approach focuses on developing an end to end segment driven sales and service model with an efficient multi-channel distribution platform. In addition, the Retail Customer Experience unit was established, reporting to senior management, which aims to improve customer complaints management and customers' overall experience with the Bank.

The Bank's operations cover the whole spectrum of banking products and services, ranging from deposit and investment products, cards, household lending products, transactional services and bancassurance products.

Mortgage Lending

The Group's mortgage loan portfolio balances in the Greek market amounted to €15.3 billion as at 31 December 2017.

The prolonged economic crisis has severely affected the property market, resulting in a significant decrease in the number of new mortgage loans. Despite that, the Bank retains a leading position in the market with the highest, share in new disbursements.

Eurobank applies its customised "Risk & Value Based Pricing" policy designed to reward customers based on their credit profile and their overall relationship with the Bank by providing preferential pricing on their mortgage loans. The Credit profile is determined by the applicant's National Credit Bureau (*Teiresias*) score, as well as by internally developed credit risk models. Emphasis is given to the value applied to certain customer groups, such as customers who have maintained their deposit or investment relationship with the Bank. Furthermore, the above also applies to customers meeting certain other criteria, such as Group Sales customers and Personal and Private Banking customers. Customises pricing policies applied aim to preserve valuable relationships and to further enhance and broaden customer's cooperation with the Bank. Going forward, the Bank is planning to maintain its market share in Mortgage Lending (*circa* 22 per cent. in total outstanding balances) in a market believed to recover and grow.

Consumer lending

The Group's consumer loan portfolio in the Greek market, including car loans, stood at €3.2 billion of outstanding balance as at 31 December 2017.

Eurobank continues to promote consumer loan products through tailored promotional activities directed towards existing customers. Through its "Risk & Value Based Pricing" policy, Eurobank offers more favourable and customised pricing terms to low credit risk customers.

The Bank's strategy in the consumer loans business is to focus on purpose specific loans and loans addressed to Group Sales customers, while implementing a sophisticated multichannel sales approach for both existing and prospective clients.

The Bank is actively present in the Auto financing business through an extended network of dealers. A leader in this market since the late 1990s, it maintains a market share of *circa* 40 per cent. in new disbursements and sustains valuable relationships with all the significant dealers and distributors in the Greek market.

Credit, debit and prepaid cards and acceptance services

Eurobank offers a wide variety of card products. Total number of Eurobank cards (credit, debit and prepaid) under management amounted to 2.6 million cards as at 31 December 2017. Total Point of Sale turnover for the card portfolio was *circa* €3.8 billion for 2017. The Bank's total credit card balances in the Greek market were €1.3 billion as at 31 December 2017.

The Bank's strategy for its credit cards issuing business remains the development of the prime segments, the focus on major co-brand partnerships and the expansion of its well-established cards loyalty program "€pistrofi". The Bank offers some of the most powerful co-branded card schemes in the Greek market, providing customised rewards to customers, in collaboration with major partners such as:

- Cosmote: Greece's largest telephone & telecommunications provider,
- Eko & Lamda Development: Greece's largest petrol retailer and the developer of the three largest shopping malls in Greece respectively,
- Attica department stores: A major high-end retailer,
- Masoutis: A leading supermarket chain.

The strategic partners hold leading positions in their respective industries with wide national networks covering almost all consumer needs.

The Bank's debit card portfolio has grown significantly and has reached record volumes throughout 2017, reaching a year on year increase above 60 per cent. in POS transactions. The Bank's debit card can be instantly obtained in-branch and offers contactless functionality. "€pistrofi" – Eurobank's loyalty program – with more than 10 years of successful presence in the Greek market, ranks first in terms of awareness, conveniences, ease of use and value according to independent surveyors (source: MRB 2017).

With over 2.6 million participating credit and debit cardholders – and with a network of more than 8,000 affiliated merchants, including top brands & industry leaders across all sectors – "€pistrofi" remains the most distinguished and awarded cards loyalty program in Greece.

The program is the only Greek cards loyalty program to reward all debit card holders and has a significant impact in increasing card usage and in safeguarding affiliated merchants' relationships with the Bank in a highly competitive market.

Furthermore, the program's pioneering mobile applicable "€pistrofi App" that reached a record number of 300,000 registered users in 2017 and was further enhanced with new functionalities, enables Eurobank to perform highly personalised tailor-made marketing campaigns, using behavioural, geographical and transactional data.

"€pistrofi App", has been shortlisted for the 2017 Loyalty Magazine Awards for the 2nd successive year and received 2 gold awards in categories such as Best Use of Mobile in a Loyalty Programme. The increase in card usage in the Greek market, as described earlier, has created an exceptional demand for Point of Sale ("POS") terminals installation, even in sectors such as private entrepreneurs and freelancers who traditionally used cash as their preferred payment method. The Bank's POS network comprised of more than 250,000 terminals at the end of 2017. Moreover, the Bank's network of e commerce 4.000. In 2017, the Bank's total Acquiring POS turnover reached €6.4 billion, achieving a year on year increase of 39 per cent.

The Bank remains aligned with its strategic focus on the "Travel & Entertainment" industry and builds upon the increasing international volumes. Moreover, emphasis is placed on launching card acceptance initiatives in areas without terminals.

Where digital technology applies, the Bank is a pioneer in Greece and offers advanced electronic payment methods for its credit and debit card offerings as well as for its card acceptance terminals.

Recently the Bank introduced "Dynamic Currency Conversion" functionality, and it also become a member of the "China Union Pay" payment scheme.

Group sales

Group Sales Relationships, namely the acquisition and cultivation of payroll clients and pensioners, play an important role in the Bank's strategy. Focus is given to leveraging existing relationships with high potential profile companies, to attracting specific public servants and seniors/pensioners with customised propositions and to developing the existing customers base, under the principle "track the customers' income, capture the customers' spending". The Bank's holistic approach – active both at a company as well as an individual employee level – aims to increase the number of group sales customers, enhance their loyalty to the Bank and provide a unique customer experience, while at the same time increasing the segment's profitability.

The Bank has developed the "Privileged Payroll Account" ("PPA"), the core special payroll package for employees who receive their payroll through the Bank and the "Integrated Pensioners Program" for retirees who receive their retirement payments in Eurobank. Bundling several products and services, both programmes offer the Bank's customer benefits and privileges in all key banking products and services. As of 31 December 2017, the Bank's total client base with payroll relationship exceeded 15,100 companies and public utilities and 613,000 individual customers (out of which 261,000 are private sector employees, 100,000 are public servants and 252,000 are retirees).

Personal Banking

Services vary from dedicated Relationship Managers accredited by the Bank of Greece to "branded" branch space, to global statement, newsletter, exclusive phone banking line, as well as lifestyle privileges, such as travel, real estate and concierge services.

In 2017, Eurobank Personal Banking celebrated 10 years of presence while remained dedicated to its goal of providing top-class personal banking customer service. In 2017, a series of initiatives have

been implemented, such as elite events, product offers and the launch of new services in order to recognize our clients' loyalty. In addition, last year was successfully completed the integration of Affluent clients of NTT into Personal Banking. The Personal Banking executives focused on applying an integrated approach to meet the needs of affluent customers, by informing them regularly on the products and services, investment options and alternative service available to them. Services vary from dedicated Relationship Managers accredited by the Bank of Greece to "branded" branch space, to global statements, newsletters, an exclusive phone banking line as well as lifestyle privileges, such as travel, real estate and concierge services.

Personal Banking clients have access to a number of exclusive products and services with preferential pricing, including a full assortment of deposit, transactional banking, investment and bancassurance products.

In 2017, Personal Banking managed to keep its customer base intact with an increase on deposits above market average while continuing to contribute significantly on the Bancassurance & Mutual funds sales of the Bank.

Small Business ("SB") Banking

Despite the challenging environment in the Greek market for loan financing of small businesses and professionals (with an annual turnover of up to €5 million), the Group has managed to maintain its strong position in the Small Business lending sector in Greece, with a loan portfolio of €6.4 billion as of 31 December 2017.

The Group actively participates in all Greek and European state sponsored funding initiatives, such as COSME, EASI & TEPIX in order to facilitate access to finance for SME's.

This year Eurobank made a dynamic entrance in the Agricultural Sector with the Programme Business Banking Agriculture, offering a bundle of banking services, tailored to the needs of the professionals and enterprises of the sector.

For the seventh consecutive year, Eurobank created a branded tailor made offer of banking and non-banking services, business banking tourism addressing the need of enterprises in the broader tourism sector. Additionally, along with the lines of the same strategy, a tailor-made programme was created, addressing exporters and business banking exports.

The Bank's strategy for small businesses and professionals focuses on business sectors and companies that have demonstrated resilience and competitiveness throughout the economic crisis in Greece, are typically export oriented and have the potential for multi-product relationships.

As at the period ended 31 December 2017, the Bank experienced increases in its transactional banking business, i.e. on a year on year basis POS turnover increased by 42 per cent.; e Banking active users increased by 34 per cent.; and sight account balances increased by 15.1 per cent., in a period of significant deposit outflows from the banking system.

Deposit products

Acquiring deposits is a key strategic priority for the Bank. Customer deposits amounted to €33.8 billion as at 31 December 2017 compared to €32.1 billion as at 31 December 2016, excluding operations in Romania that are classified as held for sale. The Bank offers a comprehensive range of deposit products which includes every day, savings and time deposit accounts, coupled with special privileges and reward programmes. In 2017, Eurobank continued its customer centric approach providing its clients with the possibility to gain extra benefits in the form of €pistrofi rewards or other added value tangible benefits. A large number of new customers were attracted by €pistrofi, Eurobank's loyalty scheme, which is offered to Eurobank's deposit accounts through debit card

usage. All deposit accounts provide additional value to Eurobank's clients by rewarding them for using their debit cards instead of cash while they perform their everyday shopping.

At the same time, the Bank consistently continues to support its customers and their saving effort by offering a wide range of saving solutions for the entire family that reflects their needs and stage of life. As at 31 December 2017, more than 660,000 customers held "Megalo Tamieftirio" (“Big Savings”) accounts. Stressing the importance of saving as a new way of life, the Bank continues to support clients who make the extra effort to save by providing incentives to regular savers. Acknowledging customer loyalty and trust as major assets, the Bank focuses on savings, supporting families and children to realise their dreams. 173,000 children are already owners of the saving account "Megalono" (Growing Up) and 172 children doubled their account savings up to December 2017 through the Greek "Laiko" Lottery (€274,431).

Despite the heavily regulated environment due to capital controls, the Bank managed to increase its market share in deposits as at year end 2017 versus 2016. The cost of deposits continued its declining trend which helped improve the Bank's financial results.

Retail Transaction Banking

Retail Transaction Banking specialises in developing and enhancing transactional banking services across all channels and segments with the goal of increasing fees from daily transactions.

Bancassurance

The Bank's holistic approach contains the offering of Bancassurance products to both companies and individuals across all channels and segments. Bank's strategy remains to enhance loyalty and customer experience and at the same time to increase received commissions.

Distribution channels

Retail banking network

The retail banking network of Eurobank was comprised of 396 branches in Greece as at 31 December 2017. Of these branches, 77 are operating under the "New TT branch network" brand under the Bank's dual brand strategy principle (one bank, two brands). In addition to its retail banking network, the Bank also has 7 private banking centres and 17 corporate banking centres.

On 19 November 2001, TT Hellenic Postbank S.A. (“TT HPB”) entered into a cooperation agreement with ELTA, Greece's national postal services provider, which in 2007 was extended until 31 December 2021. The Bank decided to re-negotiate with the ELTA the agreement framework to identify its benefits and manage the vast alternative network of more than 680 branches in Greece; its sales performance, product offering, operational model etc. in such a way that would mutually benefit both agreement parties going forward. ELTA is a potential low cost to serve channel for Retail Banking, offering high margin products, covering "untapped" geographical areas and targeting lower mass sub segments of pensioners, public sector employees, low-income youths and immigrants.

Digital Banking services

In 2017, the Bank maintained its strategic focus for continuous growth and development of sophisticated electronic services. As a result, Eurobank has been honoured with the Global Finance Award 2017 for the Best Consumer Digital Bank in Greece and with the Mobile Excellence Awards 2017 for mobile Apps for consumers: Aurobank Mobile APP (gold), and for mobile payments and Banking services: PaF (gold) and Mobile Wallet (silver).

Digital Presence

The first omni-channel deliverable for the new corporate site *www.eurobank.gr* was launched in November 2017, in responsive design with international digital guidelines and optimised for search engines and all devices and enhanced customer tools. During 2017 the Eurobank LinkedIn evolved to the No.1 engagement page in Greece, €pistrofi loyalty program Facebook page was also presented to increase customer traffic, awareness and engagement, along with our “Megali stigmi-Education” Instagram account.

Additionally, 27 digital campaigns were introduced contributing to stronger advertising recall and brand improvement, new websites (egg and AEDAK tool) and digital analytics incorporation in 15 Bank digital assets aiming at the on-going optimisation and goals’ achievement.

E Banking

The Bank's e Banking service offers a broad range of online transactions, advanced security mechanisms and interactive 24 hour support, as well as a number of innovative services including e statements and notifications. During 2017, the e-Banking service was significantly enriched with new services including "Tax-Free" calculator (enabling digital customers to check online their tax free cash amount deriving from purchase goods and services), video banking, (a personalised online service for selected Small Business customers), and online applications for acquiring POS terminals and completing Trade Finance transactions.

Within 2017, 680,000 users, individuals and businesses were serviced via e Banking. The number of active e Banking customers and the number of transactions increased by 34 per cent. and 19 per cent. respectively, compared to 2016.

M Banking

The Bank offers an integrated banking service for mobile phones, supporting the most widely available technologies and channels. During 2017, the Bank upgraded the "Eurobank Mobile App" for individuals and businesses, in order to include additional innovating services, in the areas of payments and adding value services. "PAF Pay a friend" a P2P payment service has been extended to include also P2B payments. "PAF Business" services Professionals & SMEs so they can receive payments, instantly and conveniently, through their SSN, email or mobile number. PAF for Individuals & Business also supports IRIS Online Payments, the platform for interbank instant payments. Moreover, "Eurobank Masterpass Wallet" was also launched, which is a "Mobile 1st – omnichannel" service that allows for web, in-app & on-merchant online commerce transactions, facilitating interaction between multiple channels for payment completion.

Within 2017, approximately 270,000 customers used the m Banking application for their transactions. Active m Banking users increased by 59 per cent. and transactions using the platform increased by 95 per cent. (as compared to 2016).

Self Service Terminals (SSTs)

As of 31 December 2017, the Bank's Self Service Terminals network was deployed in 1,379 points of service; 425 ATMs and 503 Automated Transaction Centres (ATCs) located in branches of the Retail Banking network, as well as 348 ATMs located in non Bank sites (offsite) and 103 ATMs located in Hellenic Post Offices. The SSTs usage accounts for 55 per cent. of the total banking monetary transactions whereas 64 per cent. of the total cash withdrawals are performed at the ATMs. The Bank has also replaced 53 per cent. of the obsolete onsite and offsite ATM fleet, with newest high-end technology terminals and launched new redesigned ATM surrounds to increase visibility and

usage, to highlight the digital transformation of the fleet and increase customer satisfaction and retention.

Contact Centre (Europhone Banking)

The Bank's Contact Centre is a 24 hour customer service channel, operating with both agents and voice banking self-service platform, handling the entire range of Retail Banking products and services offered and being alongside a major sales channel for bancassurance products. For the period ended 31 December 2017, the Contact Centre has processed 4.06 million monetary and informational transactions, with an aggregate value of approximately €209 million, while contacted 3.13 million Eurobank customers through phone, e mail, Click2Chat & Click2Call. The cross sell effort of Europhone agents resulted in 518,000 new written premia of bancassurance products.

Centralised complaints management

The Bank's customer complaints management has improved performance throughout 2017. Centralised complaints handling for Retail customers showed significant increase of the complaints resolved within 2 days percentage (80 per cent. versus 2016), and decrease of the average resolution time by 7 calendar days versus last year.

Customer Journey Mapping and Feedback Management

A newly introduced methodology of customer journey mapping has been applied to a number of new bank initiatives and 3 new customer journeys were designed based on the Bank's strategy & priorities. The Voice of the Customer ("VOC") programme, measured loyalty and satisfaction level of 100,000 customers. Moreover 22,000 comments from all available sources (surveys, social media, complaints, employee feedback) were analysed, 228 specific actions were identified and finally 598 customers were reached by high level executives closing the outer loop. The team collaborated across Bank Units to create the "Customer Manifesto". A set of 11 promises that puts the customer in the centre of the attention, educating employees how to be aligned with these promises, the company's values and strategic priorities.

User Experience Management

During 2017, the User Experience ("UX") function continued to work systematically on the digital customer experience improvement, supported by extensive user tests, guerrilla tests and first click tests and participating in all major digital initiatives of Eurobank. The unit's horizontal role allows safeguard of consistency across the online touchpoints such as the public site, e-Banking, m-Banking and Intranet as well as offline such as the ATMs, Unified Front-End ("UFE"), B2B Loyalty, Corporate pricing tool and mobile applications such as Lefkoma TT and Koubaroupoli.

By the end of 2017, UX has gathered and evaluated 4,630 replies on user tests. Moreover, "Digiators" was formed, an internal community of 1.300 employees-volunteers for new Bank digital services and assets testing.

Customer analytics and campaigns

In 2017, the Bank continued to apply a comprehensive and complementary range of analytical services & automations in order to achieve its transformation into a highly intelligent enterprise that offers exceptional customer experience.

During 2017, the Bank introduced among others, Strategic Defaulter analysis, the new Cross Selling Index and respective Propensity Models to support targeted sales. Primary Bank analysis was implemented, using advanced analytics, to estimate the customers that use Eurobank as a secondary Bank. The latter is considered as a strategic analytical asset for customer development.

E-mail campaigns have been used for capturing the VoC and Net Promoter Score (“NPS”). Apart from e-mail also SMS campaigns were launched through the central Campaign Management System. Recurring & basic event based campaigns have been automated at a percentage of 80 per cent. decreasing accordingly the needed FTEs for manual works.

Last but not least, Power BI was launched and adopted by the organisation as the central BI & Visualisation tool. Several different interactive reports were designed and developed to support the retail transformation & digital banking needs. KPIs & development opportunities are available at any level of interest like Branch & RM level in order to support business development.

Innovation Centre

“Beyond Hackathon” is part of the Bank’s initiatives designed to spark, cultivate and promote open innovation in the Financial Services industry by working collaboratively with the global start-up community. The competition is actively supported by global industry leaders in technology & financial services, regional start-up ecosystem stakeholders & academic institutions aiming to inspire the rapid creation of innovative products and services with the use of Eurobank APIs. So far, more than 320 individuals from Greece, Bulgaria, Romania, Serbia and the UK have applied, 52 teams participated, 7 innovative ideas were awarded and 4 Beyond Hackathon 2017 teams were incubated at enter•grow•go (“egg”) 5th cycle, turning their ideas into business models.

In October 2017 Eurobank launched “Koubaroupoli” and became the first Bank with a financial education App especially designed for children, giving them access to a series of games and animation videos, teaching them how to set and achieve goals through savings. Capitalising on its TT savings history, the Bank managed to make a transition from a beloved, traditional asset (piggy bank) to an engaging digital app which utilises Augmented Reality (“AR”) technology, while reinforcing the Bank’s image as an innovative bank.

Group Corporate and Investment Banking

The main objective of Group Corporate and Investment Banking (“GCIB”) is to provide fully integrated business solutions to SMEs and very large and complex corporate clients. The basic pillars of the Bank's Group Corporate and Investment Banking business model are the following:

Large Corporate

Large Corporate (“LC”) is responsible for covering the rising and complex strategic, financial structuring and banking needs of very large and sophisticated corporate clients with sales of above €150 million and presence in Greece and South-Eastern Europe (“SEE”). LC serves as the main point of contact for all financial solutions and products included in the Bank's portfolio for these clients. In total, the portfolio consists of more than 100 groups in Greece and is mainly focused on the energy, industrials, consumer and retail, services, health and construction sectors.

Commercial Banking

The main objective of Commercial Banking (“CB”) is to build a strong holistic relationship with large and medium sized enterprises, through providing both standard and tailor made financing solutions, as well as the full spectrum of banking services (i.e. Transaction Banking, Treasury & Insurance Services), in the most efficient manner. The calibre and drive of the experienced Relationship Managers comprising the CB team are key to providing prompt delivery and quality service to the Bank's clients.

The Commercial Banking Network oversees the relationship with medium sized clients nationwide (“SME”), via a network of 14 business centres (4 flagships) and 7 business units.

This structure aims to ensure:

(i) proximity and quality of services offered to clients through better business understanding; and

(ii) closer monitoring of clients' performance and proactive action in order to mitigate risks and maintain the quality of the Bank's assets.

In co-ordination with the Group's specialised units, CB offers a range of commercial banking products and services to clients, including a wide variety of funding solutions, treasury products, cash management and transaction services, investment banking and structured financing.

In its mission to be the partner of choice for its customers and actively contribute to the Greek economy, CB has taken a series of initiatives and has launched a number of campaigns, including Greek exporters' support, financing of raw materials and intermediate goods. CB has also been a major supporter of robust medium-sized companies that maintain a solid domestic or foreign market share.

Structured Finance

Structured Finance is responsible for providing specialised structured financing products and services and operates as a centre of expertise for all the countries of SEE where the Group has a presence. Structured Finance has four units, offering full and integrated services in the following areas:

Project Finance

The Project Finance Unit provides a broad range of services, primarily involving financial consulting, structuring and arrangement of complex financing for major infrastructure and energy projects in Greece and the countries of SEE, as well as for public private partnerships ("PPPs"). The unit combines solid experience and leading capabilities in financial advisory services and arrangement of Project Finance transactions, and is hence considered as the leader in the Greek market. Since 2005, Project Finance has arranged transactions worth approximately €3 billion, although the unit's own debt portfolio has never exceeded €500 million.

In 2017, the Project Finance unit focused on providing advisory services for infrastructure and development projects, such as – more recently – the privatisation of the 14 regional airports and the extension of the concession agreement of Athens International Airport working as advisor to HRADF, as well as on managing and enriching a healthy lending portfolio. In terms of lending, emphasis was placed on the completion of new financing deals in the renewable energy sector with local and international groups active in the Greek energy market, on terms that reflected the volatile conditions in the market. Finally, it is worth noting that, following the restructurings successfully concluded in 2013, for most motorways and in 2016 for Moreas, performance of the loan portfolio was positive with few problematic loans (accounting for less than 1 per cent. of the portfolio).

Commercial Real Estate Finance

Commercial Real Estate Finance ("CRE") is a specialised unit that provides financial advisory services, organises and structures complex financings for all types of large commercial real estate, such as office buildings, malls, logistic centres and mixed-used complexes, while large-scale residential complexes and industrial facilities also fall within its remit. Furthermore, CRE is responsible for the Bank's repossessed companies in the Commercial Real Estate sector. During the last couple of years, particular emphasis was placed on handling also the respective non-performing part of the Bank's portfolio, due to the expertise involved; the strategy formulation for the entire portfolio and the implementation of some long-term restructurings with substantial results was succeessful.

Commercial Real Estate Finance is focusing on building long-term relationships with its clients, offering tailor-made financing solutions aimed at meeting customer needs, while also introducing unique, innovative solutions. CRE participates, among other projects, in practically all landmark shopping malls financings in Greece. Its total exposure in the countries of the Bank's presence currently reaches *circa* €600 million.

Eurobank was nominated as Best Real Estate Bank Overall in Greece for 2016 and 2017 according to the Euromoney annual real estate surveys. During both years the Bank was ranked first in all relevant real estate categories, namely: Loan Finance, Equity Finance, Debt Capital Markets, M&A Advisory.

Leverage Finance and Special Situations

Leverage Finance and Special Situations is a dedicated unit responsible for the structuring and arrangement of complex leverage finance transactions concerning company acquisitions and complex/structured financing deals and products (including convertibles, exchangeables, etc.). The Leverage Finance and Special Situations unit has become a benchmark in the Greek market, also assisting other units of the Bank, as an internal advisor, in structuring complex transactions and restructuring deals. The division maintains open channels of communication with the investors' community in Greece and abroad in regard to all relevant transactions.

The unit led the vast majority of the high profile LBOs in Greece and the region with the 2017 landmark transactions being: (i) the syndication of the Sani Hotel acquisition financing, (ii) the financing of Corfu Chandris by Ikos and (iii) the financing of the Management Buyout of Kleeman Hellas and FHL Kyriakides and their delisting. The unit also in 2017 successfully completed the debt restructuring of Mevgal.

Hotels and Leisure

The Hotels and Leisure unit was established in 2013 as a specialised unit aiming to provide integrated services and meet the specialised needs of corporate clients in the hotel industry. The unit's loan portfolio focuses primarily on hotel capital and operating expenditure financing cash management, as well as balance sheet and operational restructurings. This unit's core strategy is to capitalise on the strong fundamentals and macroeconomic trends of the hotel sector in order to improve the cash flow of the existing portfolio and assets, but also to pursue selective investments and financings on the basis of strong cash flow and premium collaterals. The Bank is strategically positioned in the largest hotel groups that collaborate with the top international tour operators.

Hotels that receive financing from Eurobank are mainly located at the most popular holiday destinations for international tourists in Greece: Crete (26 per cent.), Rhodes (38 per cent.) and Kos (16 per cent.).

Shipping

Eurobank maintains a steady presence of more than 25 years in the field of shipping finance, financing Greek shipping companies with an established presence either as private traditional family companies or as parent companies, under conservative terms. Shipping finance is extended solely to companies representing Greek interests with large or medium fleets, primarily in connection with the financing of purchases of either second hand or newbuilding vessels employed in transporting dry bulk cargo, wet cargo and containers.

The Shipping Unit's primary objective is to develop the Group's position in the Greek shipping market as a strategic player using the full range of the Group's products and services. The Group's established coverage of the Greek shipping sector has enabled the Bank to establish a large deposit base, which, despite outflows due to sovereign risks exposure, continues to provide a funding base

for its shipping loans. In collaboration with other Eurobank teams (Treasury, Private Banking, Investment Banking, Structured Finance, Mortgage Lending), the specialised Shipping unit offers comprehensive services in the areas of corporate and private wealth management. The Group seeks to maintain the high credit quality of its shipping portfolio, further developing its long standing relationships with its core client base and entering into new client relationships.

Loan Syndications and Debt Capital Markets

Loan Syndications and Debt Capital Markets (LS&DCM) is responsible for the arrangement and implementation of a broad range of specialised and highly structured financing deals, including corporate syndicated loans/bond loans, convertible bonds and exchangeable bonds (in cooperation with Treasury and/or Investment Banking). During 2017, LS&DCM has managed to maintain for another year its leading position in the syndicated loan market in Greece, acting as mandated lead arranger/ coordinator in some of the most prominent transactions, while expanding to almost 100 the number of loans under management/on-going monitoring.

The unit is also responsible for secondary loan trading, liaising with international banks' trading desks, funds and brokers and aiming to optimise and enhance Bank's portfolio and market position either through credit exposures' increase in attractive returns (on a stand- alone or on a portfolio basis) or alternatively through exiting from challenging relationships.

Investment Banking and Principal Capital Strategies

Eurobank Investment Banking ("IB") offers M&A advisory and Capital Markets services to a wide range of corporate clients, their shareholders and private equity firms. The M&A team provides customised solutions regarding mergers, acquisitions, divestitures and capital restructurings. In addition, the Capital Markets team offers advisory and underwriting services with respect to clients' capital raising needs.

Throughout 2017, the IB unit continued to provide strategic advisory services to a number of corporate clients such as the acquisition of the remaining shares of FHL Kyriakides from its majority shareholder ("Management Buyout"), the tender offers for Grivalia and Ionian Enterprises (Hilton Athens), as well as to the Hellenic Republic Asset Development Fund ("HRADF") regarding the extension of the Concession Agreement of Athens International Airport. In addition, the IB unit acted as advisor to certain important transactions, such as the sale of the formerly named CAPSIS hotel in Rhodes and the sale of the landmark King George Hotel in Athens. Furthermore, the IB unit was engaged as an advisor in a number of transactions concerning private companies in a wide range of sectors including gaming, retail and hospitality.

In the capital markets sector, the IB unit acted as a process advisor to the merger of Mytilineos with METKA.

In addition, the IB unit acted as underwriter for the initial listing of BriQ Properties on the Athens Stock Exchange, and supported Nikas and Frigoglass in their respective share capital increases.

Cash and Trade Services

Cash and Trade Services ("CTS") was established in 2008 with the objective of offering comprehensive and innovative transactional banking services as a one stop shop for Eurobank's corporate clients by assisting them in streamlining and automating their daily processes, mitigating risk and expanding their reach. Since 2016, CTS has also become the hub for transactional banking services for Eurobank's SME clients offering a full suite of services such as payment and cash management, trade and supply chain finance, payroll and bancassurance.

In trade finance specifically, Eurobank in cooperation with supranational organisations such as EBRD, EIB and IFC supports its clients to strengthen their position in International trade business by providing them with risk mitigation for individual trade transactions, through a continuously growing network of issuing and confirming banks. Furthermore, Eurobank embracing innovation and new digital technology launched Exportgate.gr, a built-for-purpose platform to extend a number of services to Greek businesses. Exportgate.gr enables them to access the latest expert knowledge and insight about business conditions around the world, to find trustworthy international counterparties and facilitate their business expansion through the Trade Club Alliance.

CTS's successful servicing model, quality and completeness of its offering and strong long lasting relations with clients has been recognised by the following international awards:

- Best Domestic Cash Manager 2017, by Euromoney for the seventh consecutive year;
- Best Domestic Trade Finance provider 2017, by Euromoney;
- Best Trade Finance Provider in Greece for 2018, by Global Finance;
- Best Corporate/Institutional Digital Bank for 2017, by Global Finance for the fifth consecutive year; and
- Best Treasury and Cash Management Provider 2017 in Greece by Global Finance for the fourth consecutive year.

Securities Services

Eurobank has built a strategic position in the securities services business since 1992. The Group's success in this area has been driven primarily by its long-standing commitment to high service standards and the provision of a full range of post trading services both in Greece and in SEE.

Eurobank is the only provider in Greece to offer a full range of products, including local and global custody, issuer services, derivatives clearing, margin lending, middle-office services and funds accounting, to both local and foreign investors, across all types of instruments.

The quality of the Bank's regional securities services offering is ISO Certified and is internationally appreciated or highly rated by specialised industry magazines such as "Global Custodian" and "Global Finance", which have recognised Eurobank's leading market position on an annual basis.

- Best Securities Services Provider in Greece for 2017, by Global Finance eleven times over the last twelve years; and
- Top Rated Custodian for Institutional Investors in Greece, by Global Custodian for twelve consecutive years.

Interbank Relations and Payment Services

Eurobank maintains a dedicated Correspondent Banking Division offering specialised relationship management for all its clients, and is the only bank in Greece with centralised payment services, enabling cost-effective payments execution and optimal cash management solutions. The Bank's payment services are ISO 9001:2008 certified and were recognised with the 2016 Citi Straight Through Processing Excellence Award for US dollar and Euro payments, the 2015 Deutsche Bank's International Award for Exceptional Quality in international payments in US dollars and Euros as well as Commerzbank's STP Award 2015 for excellent quality in the delivery of commercial payments and financial institution transfers.

Leasing

Eurobank Ergasias Leasing S.A. (Eurobank Leasing), a 100 per cent. subsidiary of Eurobank, has been among the two largest Greek leasing groups/companies for the last ten years, holding a market share of approximately 24 per cent. at YE 2017 (Source: Association of Greek Leasing Companies). Eurobank Leasing's key strength is its extensive experience in the Greek leasing market, which has led to a sound knowledge of all financial leasing products and services.

Eurobank Leasing operates as a separate product centre within the Group, thus enabling it to make use of important economic and cost synergies, while at the same time retaining an independence, which ensures flexibility and speed in dealing with key business, risk and legal aspects of leasing.

Eurobank Leasing's main goals are to provide financing mostly to export-oriented dynamic companies in the form of leasing for production equipment, vehicles and selective real estate and to sell or lease repossessed real estate and other assets. At the same time, it participates jointly with Eurobank in restructuring deals aiming to help viable existing clients that face temporary financial distress due to current macroeconomic conditions.

Finally, Eurobank Leasing also supports the Leasing Subsidiary of the Group in Bulgaria.

Factoring

Eurobank Factors, a 100 per cent. subsidiary of the Bank is the leading factoring company in Greece and a two-time worldwide winner of Best Export Import Factor Award (2009 and 2011), granted by Factors Chain International, the largest world factoring association. Eurobank Factor's market share for 2017 stood at 34 per cent. (Source: Hellenic Factors Association). The company was ranked 3rd worldwide and 1st in Europe for another consecutive year for its Export Factoring services. The ranking was announced at the 49th Annual FCI meeting in Lima (Peru, June 2017).

The Group also has a strong factoring presence in Bulgaria.

Eurobank Equities

Eurobank Equities is Eurobank's brokerage firm providing a full range of trading and investment services to over 10,000 private, corporate and institutional clients in Greece and abroad. The firm has a dominant presence in the domestic capital market position, underpinned by its leading market share (ranked first in the last nine years) (Source: Hellenic Stock Exchange) and its recognition in the Pan European Extel Survey as top tier in "Leading Brokerage Firm" in Greece for the last five years. The same survey has also ranked Eurobank Equities Research as top tier in the "Country Research" category for the last five years.

The firm's Institutional Sales and Trading desk offers sales and execution services to the largest Greek and global institutional clients involved in domestic equities and derivatives by providing valuable local insight and idea-focused investment advice.

Through its broad sales network, Eurobank Equities also maintains a leading position in the retail brokerage segment, offering full and discount brokerage services for both Greek and international markets.

Finally, Eurobank Equities provides market-making services to a significant amount of securities in both the cash and derivatives market.

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Global Markets and Wealth Management

The Global Markets & Treasury General Division is engaged in four primary categories of activities:

- sales of products to corporate, shipping, institutional, retail and private banking clients;
- DCM Syndication of Greek Corporate Bond Issues
- taking of investment positions; and
- wholesale funding, liquidity and banking book asset-liability management

The Global Markets and Treasury General Division operates with a centralised model based in Greece, where all positions and risks are consolidated, and offers an integrated approach to Greece and the countries of SEE and Western Europe in which the Group operates. In each country, Treasury operations are standardised and report directly to Athens.

Global Markets has a strong DCM syndication team that has been active in coordinating and Lead Managing most of the Greek Corporate issues that came to the market over the last months (Mytilineos, OPAP, Terna Energy, GEK Terna, Sunlight).

The Group sets strict limits for transactions that it enters into and the Risk Management Division monitors such transactions on a daily basis. Limits include exposures towards individual counterparties (in accordance with the evaluation of the credit risk of the particular counterparty), and countries, as well as control of Value at Risk ("VaR"). The Group uses an automated transaction control system, which supports the dealing room in its monitoring and management of positions and exposures.

The Group's investment, market making and customer execution activities also include corporate and government bonds, structured products, FX spot and OTC FX derivatives as well as OTC and listed interest rate derivatives.

The Group offers its clients a wide range of wealth management services, as well as access to global capital markets. These services include private investments, advisory services, brokerage services, portfolio management, asset management and research services in Greece and SEE.

Asset Management

The Group provides asset and fund management services in Greece and abroad through its specialised subsidiary Eurobank Asset Management MFMC. Eurobank Asset Management MFMC holds the leading position in Greece in the area of fund and asset management with total assets under management amounting to almost €3 billion as at 31 December 2017.

Eurobank Asset Management MFMC managed €2.1 billion of total assets in 56 funds domiciled in Greece, Luxembourg and Cyprus and had a market share of approximately 31 per cent. in the area of funds distributed in Greece as at 31 December 2017 (Source: Hellenic Fund and Asset Management Association). Through Eurobank Fund Management Company (LUX) SA. (one of the Group's subsidiaries in Luxembourg), the Group offers a wide variety of funds under the brands Eurobank (LF) Funds and Eurobank (LF) Fund of Funds that are, distributed in Greece, Luxembourg, Romania and Bulgaria. The funds offered cover a broad range of investment options and provide access to capital and money markets in Greece, Europe and the United States as well as emerging markets, satisfying a diverse range of investment profiles.

Eurobank Asset Management MFMC also managed more than €0.8 billion in 23 segregated accounts. It offered portfolio management services to 20 institutional clients with a total of more than €0.4 billion in assets and managed the portfolios of Eurobank Group clients in Greece, Luxembourg and Cyprus with €0.4 billion of assets.

Eurobank Asset Management MFMC also provided fund selection services in mutual funds of 14 internationally recognised fund managers, with a total of €0.9 billion of assets.

Private Banking

The Group continues to enhance the breadth of its Private Banking offering in several areas. For example, the Group focused its efforts in 2017 on its Luxembourg based private bank subsidiary, which, among other services, opened a new branch in London, United Kingdom. In 2017, the Group's Private Banking Greece unit was named the "Best Private Bank Greece" in separate surveys by World Finance and Global Finance. As at 31 December 2017, the Bank had 5,687 clients and €5.61 billion of assets under management, of which 55 per cent. came from Greece, 19 per cent. from Luxembourg and 26 per cent. from Cyprus.

International Operations

The Group has regional presence in Central, Eastern and SEE that includes Member States in the euro area (Cyprus, Luxemburg), EU member states (Romania and Bulgaria) and one EU candidate state (Serbia). As at 31 December 2017, the Group's international operations accounted for total gross loans and advances to customers amounting to €6.4 billion, total deposits of €9.2 billion, 254 branches and 26 business centres. A key priority of the Group is to support dynamic businesses and households in these countries, thereby confirming its systemic role in the wider region.

The Group continues to support the economies of the wider region through its participation in the "Vienna Initiative" where issues such as the strengthening of local currencies through more extensive use in lending and more effective management of problematic debts are envisaged.

In addition, Eurobank continues its collaboration with international institutions, such as the EBRD, the International Finance Corporation (“IFC”) and the EIB for the granting of financing through the Group’s subsidiary banks in Bulgaria, Serbia and Cyprus, with the aim of supporting small and medium sized enterprises in the region. These arrangements have been supplemented with additional specialised trade finance facilities by the same institutions.

For the full year 31 December 2017, Eurobank's international operations reported a net profit before discontinued operations and restructuring costs of €129.5 million, as compared to a net profit before discontinued operations and restructuring costs of €122.2 million over last year.

Bulgaria

In Bulgaria, the Group operates through its wholly owned subsidiary Eurobank Bulgaria, known under its commercial brand name "Postbank", which had 174 branches and 10 business centres as at 31 December 2017. As at the same date, in Bulgaria the Group had total gross loans of €2.8 billion, of which 45 per cent. were retail (households) and 55 per cent. were businesses, and total deposits of €3.1 billion.

By the end of 2017, Bulgaria’s GDP growth was 3.6 per cent., according to the preliminary data of the National Statistical Institute (3.9 per cent. in 2016).

The key growth driver in 2017 was the consumption which increased by 4.5 per cent. Year on Year (“YoY”), as the macroeconomic stability, the falling unemployment rate and the higher disposable income encouraged the households to spend more. The Bulgarian banking system had another strong year, although the competition continued to erode the income of the banks. Lending has recovered and on an annual basis total loans grew by 3 per cent., while deposits rose by 6 per cent. YoY. Postbank holds a strategic position in retail and corporate banking in Bulgaria. Postbank maintained its long-term strategy of being client centred, innovative institution working with care for the people and the community. It went beyond the conventional market of bank products, by establishing a new client-centred banking model.

The Bulgarian operations reported a net profit of €46.5 million for the full year ended 31 December 2017 while sustained negative NPE formation. The capital adequacy of Eurobank Bulgaria remains at high levels, with a capital adequacy ratio (regulatory capital over risk-weighted assets) of 21.8 per cent. as at 31 December 2017, significantly higher than the Central Bank's minimum requirement of 13.5 per cent.

The operations in Bulgaria were especially successful in attracting deposits, while continue lowering the cost of funds. The deposits level allowed our operations in Bulgaria to be self-funded and report a net loan to deposit ratio at 81 per cent. as at 31 December 2017.

Eurobank Bulgaria also offered new loan products and factoring products to support small and medium sized enterprises, while simultaneously providing appropriate restructuring solutions to customers facing financial distress.

Serbia

In Serbia, the Group operates through its wholly owned subsidiary Eurobank A.D. Beograd (Eurobank Beograd), which had 80 branches and 6 business centres as at 31 December 2017. As at the same date, the Group in Serbia had total assets of €1.4 billion, gross loans of €1 billion, of which 47 per cent. were retail (households) and 53 per cent. were businesses, and total deposits of €0.8 billion.

Serbian operations reported a net profit of €16.5 million for the for the full year ended 31 December 2017, improved by 35 per cent. as compared to the same period last year. The capital adequacy of Eurobank Beograd was 29.15 per cent. (regulatory capital over risk-weighted assets) as at 31 December 2017, higher than the Central Bank's minimum requirement of 8 per cent.

Since 2012, Eurobank Beograd has partnered with international financial institutions, such as the IFC, EBRD and EIB, to provide loans to domestic enterprises and companies. Also, in 2012, Eurobank Beograd participated in the launch of the process for the first EUR/CHF currency swap agreement in the region with EBRD.

Corporate social responsibility has been a key priority for Eurobank Beograd since its establishment, and its contributions to Serbian society has been acknowledged by the country's leadership and number of awards. In recent years, Eurobank Beograd has actively supported the youth, culture and environment of local communities. During 2017, Eurobank Serbia continued with Corporate Social activities, through the following main pillars: Social Solidarity (volunteering activities within local CSR Forum, UNICEF activities, support of vulnerable social groups etc.), Education (restoration of kindergarten playgrounds and school premises) and Health (restoration of hospital units).

Cyprus

In Cyprus, the Group operates through its wholly owned subsidiary Eurobank Cyprus Ltd (Eurobank Cyprus), which had 8 business centres as at 31 December 2017.

Eurobank Cyprus continues to deliver positive results, thus strengthening its position in the Cyprus banking sector. Specifically, for the full year ended 31 December 2017, Cyprus operations net profit reached €57.8 million, as compared to €49.1 million same period last year, a 18 per cent. year-on-year increase.

As at 31 December 2017, Eurobank Cyprus had deposits of €4.3 billion and gross loans of €1.6 billion, of which a significant part is fully cash collateralised, and a net loans to deposits ratio at 35.4 per cent. The Group's operations in Cyprus maintain strong liquidity, with cash primarily invested in low-risk short-term assets.

Eurobank Cyprus is strongly capitalised with a capital adequacy ratio of 26.6 per cent., (regulatory capital over risk weighted assets) as at 31 December 2017, significantly higher than the minimum overall capital requirement set by Central Bank of Cyprus (currently at 11.5 per cent.).

The successful performance further strengthens the leading position Eurobank Cyprus enjoys in the areas of international business banking, wealth management, corporate and commercial banking and capital markets. Eurobank Cyprus continues to be focused on providing excellent services to its clientele, based on its high calibre personnel, long experience in the market and innovative product range.

As at 31 December 2017, Eurobank Cyprus had total assets of €4.9 billion. The strong capital base of Eurobank Cyprus combined with the good quality of the loan portfolio ensured the protection of the liquidity position of Eurobank Cyprus against any future risks.

Romania

Eurobank announced that Eurobank Group and BT have concluded on 3 April 2018 all the remaining actions and fulfilled all the conditions precedent for the completion of the transfer of the shares held by Eurobank Group in Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. to BT. Prior to this, BT has obtained the relevant regulatory approvals from both the National Bank of Romania and the Romanian Competition Authority for the acquisition.

The total consideration of the transaction post distribution of special dividend and capital return is €301 million representing a multiple of 0.80xP/BV (1). The transaction is capital accretive for Eurobank adding *circa* 25bps in Common Equity Tier 1 ratio and liquidity positive.

With the completion of the current transaction, Eurobank fulfils well ahead of time its commitment towards the European Commission for the reduction of its foreign footprint. After the departure from Romania, Eurobank will retain significant presence in Cyprus and Bulgaria, as well as presence in Serbia and Luxemburg. Also with the above transaction Eurobank concludes in substance its restructuring plan.

(1) Consideration refers to €226 million paid for the shares of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A., plus special dividend and capital return received as part of the transaction of ca. €75 million.

Proforma BV, based on est. BV March 2018, adjusted for special dividend and capital return.

Western Europe (Luxembourg and United Kingdom)

Through the Bank's subsidiary in Luxembourg, Eurobank Private Bank Luxembourg S.A. (Eurobank Luxembourg), the Group has developed a significant presence in Private Banking, Wealth Structuring and Management, Funds Administration, Investment Advisory, and Lending services for both private and corporate clients. Furthermore, Eurobank Luxembourg provides administrative and custody services for Investment Funds and further functions as a booking centre for corporate loans of the Eurobank Group. Luxembourg is ranked as Eurozone's top private banking centre and second biggest location for funds worldwide. As at 31 December 2017, Eurobank Luxembourg operations had balance sheet assets of €1.3 billion, ample liquidity with a Liquidity Coverage Ratio (LCR) of 652 per cent. (regulatory minimum of 100) and a strong capital base, as manifested by a Basel III solvency ratio of 45.17 per cent. comprised fully of Tier 1 Equity (well above regulatory minimum of 10.75 per cent.).

At the beginning of June 2015, Eurobank Luxembourg acquired the former Eurobank London Branch in the United Kingdom, Eurobank Private Bank Luxembourg London Branch (Eurobank London). Eurobank London provides an array of services to companies with international activities, especially in Central and South-Eastern Europe and to individual clients with local and international banking

needs. Furthermore, Eurobank London serves as an extension of Eurobank's Luxembourg Private Banking platform to London-based clients.

Eurobank Luxembourg, through its locations in Luxembourg and London, and presence in Greece, is positioned to cover clients in a wide geographical area, especially in Southeast Europe and the UK.

Other activities

In addition to the products and services described above, the Bank is also engaged in the following activities, both in Greece and in the other countries in which Eurobank operates.

Troubled Assets Group

Following the publication of the Bank of Greece Executive Committee's Act No. Act 42/30.05.2014 and its amendements, which details the supervisory directives for the administration of exposures in arrears and non performing loans, Eurobank has proceeded with a number of initiatives to adopt the regulatory requirements and empower the management of troubled assets. In particular, the Bank transformed its troubled assets operating model into a vertical organisational structure through the establishment of the Troubled Assets Committee and Troubled Assets Group General Division.

The Troubled Assets Group ("TAG"), with a direct reporting line to the Chief Executive Officer, is responsible for the management of the Group's troubled assets portfolio, for the whole process, from the pre delinquency status in case of high risk exposures up to legal workout.

The target of the operating model is to reinstate customers' solvency, reduce overall handling costs for delinquent accounts and improve the portfolio profitability by maintaining low portfolio delinquency rates and facilitating negotiations with delinquent customers. In order to ensure the efficient management of the troubled assets portfolio, more than 2,500 full-time equivalent employees are involved in NPLs management operations across the Bank, of whom c.a 1,180 are dedicated professionals within the various TAG operating units.

The main organisational pillars of TAG are:

- Retail Remedial General Division, a dedicated collections and remedial management unit for retail borrowers, incorporating FPS, the only wholly owned subsidiary servicing platform in the market;
- Corporate Remedial General Division, a specialised remedial unit covering high risk corporate clients;
- Collateral Recoveries Sector, a centralised unit for collateral foreclosure and claim announcement;
- TAG Risk Management and Business Policies Sector, an internal control unit responsible for ensuring policies alignment, regulatory compliance, quality assurance and performance measurement; and
- TAG Business Planning Sector, a unit responsible for supporting the Head of TAG in the coordination of projects related to organisational or business transformation.

TAG, by employing best-in-class strategies, tools, technical resources and human capital, aims to significantly contribute to the Group's profitability, in a socially responsible manner. To this end, the main actions undertaken by TAG in 2017 were the following:

- Similarly, with the second half of 2016, TAG has overall exceeded the key regulatory targets for NPE reduction in the first half of 2017.

- FPS obtained a license from the BoG in the first quarter of 2017, that allows it to operate as an independent servicer of loans granted by credit or financial institutions pursuant to the Law 4354/2015.

- The strategic focus towards long-term, viable restructuring solutions, offered through a wide array of products, segmentation criteria and decision trees, was continued and strengthened.

- The existing dynamic decision-support systems were further enhanced and data analytics were leveraged to improve decision making, facilitate the offering of optimum solutions and limit uncertainty.

- The key functions of the General Division were reorganised and reinforced in order to accommodate the new legislative developments towards the reduction of NPEs and to ensure the efficient management of the troubled assets portfolio.

- Staff was further developed through additional training programs and e-learning courses.

- Pillarstone, the platform setup by Eurobank, KKR and Alpha Bank, was granted an operating license as a servicer from BoG, in May 2017, pursuant to the law 4354/2015, which is expected to facilitate the on boarding of assets.

- Evolved and further developed a comprehensive program for the purpose of supporting and monitoring, in a structured manner, all business and IT actions and initiatives serving the reduction of non-performing exposures, which is a top priority for the Bank.

- Management participated in key interbank initiatives with the coordination of Hellenic Bank Association to establish a solid governance framework and a collaborative partnership among all banks.

- The Bank, in November 2017, completed the sale of the non-performing unsecured consumer loan portfolio. The servicing of the portfolio has been assigned to Financial Planning Services S.A. (“FPS”).

- Reviewed and redesigned current Corporate operational model by improving the performance of key business areas and by implementing key strategic initiatives that allows NPE targets achievement.

The Troubled Assets Committee (“TAC”) has been also established in order to provide strategic guidance and monitoring of the troubled assets of Eurobank ensuring independence from business and compliance with the requirements of Bank of Greece Act 42/30 5 2014.

The Deputy CEO of the Bank and Executive member of the Board of Directors is specifically entrusted with the close monitoring of the troubled assets management strategy.

The TAC's propositions and reports are also submitted to the Group Chief Risk Officer, who expresses his opinion on the effectiveness of the troubled assets management strategy to the Board of Directors by submitting the relevant report to the Board Risk Committee.

The main responsibilities of the TAC are as follows:

- process centrally all the internal reports regarding troubled assets management under the provisions of Bank of Greece Executive Committee's Acts 42/30.05.2014 and its amendments;

- approve the available forbearance, resolution and closure solutions by loan sub portfolio, and monitor their performance through suitable key performance indicators ("KPIs");

- define criteria to assess the sustainability of credit and collateral workout solutions (design and use of "decision trees");

- determine the parameters and the range of responsibilities of the bodies and officers involved in the assessment of viability and sustainability of the proposed modifications and the subsequent monitoring of their implementation;

- design, monitor and assess pilot modification programmes (in cooperation with other business units);

- evaluate proposals for the sale of the Bank's distressed assets portfolio, as well as for the potential provision of services of managing troubled assets of third parties; and

- supervise and provide guidance and know how to the respective troubled assets units of the Bank's subsidiaries abroad.

Driven by the requirements set in the memorandum of understanding signed in 2015 by the Hellenic Republic, the European Commission and Bank of Greece, SSM requested the Greek Significant Institutions to develop a roadmap that will lead to a significant reduction in the stock of NPEs for the period 2016-2019. In September 2016 the Bank submitted to SSM a comprehensive NPE management strategy with a thorough and time bounded action plan that will lead to a significant NPE reduction by the end of 2019, accompanied with a set of key targets and monitoring indicators requested to monitor the effectiveness of the NPE Strategy. As per the regulatory requirements, the NPE reduction plan of the Bank is revisited and communicated to SSM at the end of September of each calendar year, providing quarterly projections for the upcoming year. The Bank duly submitted to SSM on 29 September 2017, an updated NPE reduction plan and the respective Management Strategy

The achievement of NPE reduction is mainly driven by sustainable modifications, active collection management, collateral realisation, debt sales and write offs. The course to meeting the SSM targets is reviewed on a quarterly basis by the supervisory authority who might request additional corrective measures, if deemed necessary.

Operational targets for Non-Performing Exposures (NPEs)

In accordance with the latest relevant BoG report issued in December 2017, Greek banks have set a revised target of a 37 per cent. reduction of NPEs for the period from June 2017 up to December 2019, corresponding to a decrease by €37.2 billion of the total NPEs stock (excluding off-balance sheet items), i.e., from €101.8 billion in June 2017 to €64.6 billion in end 2019. The NPEs of the sector as a percentage of total loan exposure will gradually decelerate and reach 35.2 per cent. in 2019. Specifically the Bank, as at 31 December 2017, has reduced the stock of NPEs by €2.4 billion since 31 December 2016 outperforming the respective initial target submitted to SSM by €0.7 billion.

In the above context, the Bank has developed strategic objectives and targets, together with a set of corresponding actions across client segments, and a timetable for implementation. The actions have been cascaded to a segment level for retail portfolio and to a borrower level for corporate portfolio together with corresponding targets and monitoring indicators. The Bank has developed a detailed

NPE forecasting model, the results of which have been used to calibrate both the targets and the monitoring indicators. The strategy and the objectives are based on a set of assumptions regarding the macro-economic outlook and the legal and tax framework in Greece. The planned actions and initiatives are not expected to require increases in currently planned provisioning levels and additional capital requirements. The key risks for potential deviation from the targets are primarily related with the delays in the macroeconomic recovery.

The Bank has fully embedded the NPE strategy into its management processes and operational plan. The successful implementation of the NPE reduction plan is based on a set of assumptions regarding the macroeconomic outlook and the resolution of existing tax and legal impediments.

Real Estate

On 4 July 2017, the Bank announced the successful sale of its shareholding in Grivalia Properties R.E.I.C., via an institutional private placement by way of an accelerated book build offering to institutional investors at a price of €8.80 per share, for a total cash consideration of €178 million. The transaction, which was in line with the Bank's restructuring plan, was capital accretive for the Group, as it increased its common equity Tier 1 ratio (based on the full implementation of the Basel III rules) by 30 bps, mainly due to deconsolidation of risk weighted assets of circa €875 million.

Property Services

Eurobank Property Services S.A., is the real estate arm of the Group and is one of the largest real estate services providers in Greece. The company provides an integrated range of high quality services through its team of experienced executives.

Its activities also extend to the countries of South East Europe (Romania and Serbia) through the operation of subsidiary companies.

The integrated range of services the company offers includes real estate agency services, advisory services related to the development and management of clients' real estate properties (companies and individuals), building energy efficiency improvements, property and facilities management and a complete range of technical services in due diligence such as technical audits, consulting services for properties with urban/legal issues, valuation of electromechanical equipment and issuing Energy Performance Certificates ("EPC").

As part of the provision of digital services, the company's Research and Analysis Department has developed a holistic market monitoring and residential property portfolio risk management system; the EPS Analytics platform. This particular platform includes a comprehensive range of tools such as Residential and Commercial Property Market Indices, Forecasts, Automated Valuation Models ("AVMs"), Value at Risk ("VaR") Models, as well as Market Reports.

Disaster Recovery and Information Technology

The Group's operations are supported by three state of the art fault tolerant IT data centres which fully meet information security standards, including Disaster Recovery capabilities, and are certified to the ISO 27001:2013, ISO 9001:2008 (since 2000) and ISO 22301:2012 (since 2013) standards. They are designed according to international best practices, widely utilising private cloud, virtualisation and environment protection controls.

The core banking applications in Greece and in the countries of Central, Eastern and South-Eastern Europe in which the Group operates are integrated within the framework of a customer centric and multichannel fault tolerant architecture. They are also supported by specialised analysis, information dissemination and risk management systems based on the corporate data warehouse platforms.

The Group's IT operates in accordance with a modern IT service management model, certified to the ISO 20000:2013 standard. Measurements conducted on an international level confirm its effectiveness and efficient cost management, placing it among the top bank IT units in Europe over the last six years.

Cyber security and the protection of information systems and transactions from cyber threats is a top priority for the Group. Optimum security measures are taken on time to address the constantly evolving cyber security threats as well as related regulatory requirements. Cyber security is fully integrated into the Group's strategy, structure and operations, from the development of new digital services and products to the way IT systems, data and infrastructure are safeguarded.

Organisational Structure

Based on notification received from:

- the Hellenic Republic Financial Stability Fund ("HFSF") on 2 December 2015, the percentage of the ordinary shares with voting rights held by the HFSF out of the total number of ordinary shares with voting rights issued by the Bank amounted to 2.38 per cent., which corresponds to 52,080,673 ordinary shares with voting rights out of total 2,185,998,765 ordinary shares with voting rights issued by the Bank. On the above HFSF ordinary shares and voting rights of HFSF the provisions of article 7a par. 2, 3 and 6 of 1, 3864/2010 (restricted voting rights) are applicable;

- the company Fairfax Holdings Limited ("Fairfax") on 4 December 2015, the percentage of the Bank's voting rights held indirectly by Fairfax, on 2 December 2015 through its controlled subsidiaries, out of the total number of the Bank's voting rights, excluding those held by the HFSF, amounted to 17.29 per cent., corresponding to 369,028,211 voting rights of the 's ordinary shares; and

- the company "The Capital Group Companies, Inc." ("Capital") on 4 December 2015, the percentage of the Bank's voting rights held indirectly by Capital on 2 December 2015, out of the total number of the Bank's voting rights, excluding those held by the HFSF, amounted to 8.5457 per cent. The above percentage relates to 182,358,578 voting rights of "Capital Research and Management Company", a company controlled by Capital.

The remaining voting rights are held by natural and legal persons, none of which, to the knowledge of the Bank, holds 5 per cent. or more.

The Bank is the Group's parent and principal operating company. On 31 December 2017, the Bank consolidated 61 companies under the full consolidation method and 11 companies under the equity method.

Eurobank Management Team

Board of Directors

The current Board of the Bank consists of thirteen Directors, of whom three are executives, three are non-executives, six are independent non-executives and one is a representative of the HFSF, who has been appointed (as non-executive Director) in accordance with relevant legal requirements. According to the Bank's Articles of Association, the Board may consist of three (3) to twenty (20) members, while, under the RFA, this range has been specifically set to be between seven (7) and fifteen (15) members (including the representative of the HFSF). Furthermore, according to the HFSFcorporate governance review criteria developed as per the relevant provisions of Law 3864/2010, the target size of Board members has been set up to thirteen (13).

The Board of Directors of the Bank, along with their positions held on the Board, the Committees to which they are appointed and their principal activities outside the Group, which are significant with respect to Eurobank, as at 23 May 2018, comprises the following persons:

				Principal activities outside the Group	
Name	***Position held on the Board of Directors (BoD) of Eurobank***	***Positions held on BoD Committees of Eurobank***	***Company***	***Position***
Nikolaos V. Karamouzis	Chairman, Non-Executive Director	1. Risk Committee, Member 2. Nomination Committee, Member 3. Strategic Planning Committee, Chairman	1. Hellenic Federation of Enterprises (SEV) 2. Foundation for Economic and Industrial Research (IOBE) 3. Hellenic Bank Association (HBA) 4. Colonnade Finance S.a.r.l. 5. Alexander S. Onassis Foundation (ASOF) 6. Alexander S. Onassis Public Benefit Foundation (ASOPBF)	1. Vice-Chairman Non - Executive 2. Member 3. Chairman Non-Executive 4. Manager 5. BoD, Member 6. BoD, Member
Fokion C. Karavias	Chief Executive Officer	1. Strategic Planning Committee, Member	-	-
Stavros E. Ioannou	Deputy Chief Executive Officer	1. Strategic Planning Committee, Member	1. Grivalia Properties REIC	1. BoD, Non-Executive Director
Theodoros A. Kalantonis	Deputy Chief Executive Officer	1. Strategic Planning Committee, Member	1. Eurolife ERB General Insurance S.A. 2. Eurolife ERB Life Insurance S.A. 3. Eurolife ERB Insurance Group Holdings Societe Anonyme 4. ERB Insurance Services S.A.	1. Vice – Chairman Non-Executive Director 2. Vice – Chairman Non-Executive Director 3. Vice – Chairman Non-Executive Director 4. Vice-Chairman
Androniki E. Boumi	Non-Executive Director	-	-	-
George K. Chryssikos	Non-Executive Director	-	1. Praktiker Hellas S.A. 2. Grivalia Hospitality S.A. 3. Grivalia Properties REIC 4. Cloud Hellas S.A. 5. Grivalia New Europe S.A. 6. Seferco Development S.A. 7. Reco Real Property A.D. 8. Eliade Tower S.A. 9. Mytilineos Holdings S.A.	1. BoD, Non-Executive Director 2. BoD, Non-Executive Director 3. CEO, Executive Board Member 4. Executive Director 5. Executive Director 6. Executive Director 7. Member of Supervisory Board 8. Executive Director 9. BoD, Non-Executive Director
Richard P. Boucher	Non-Executive Independent Director	1. Audit Committee, Member 2. Risk Committee, Chairman	1. Atlas Mara 2. CRH Plc	1. BoD, Non-Executive Director 2. BoD, Non-Executive Director
Stephen L. Johnson	Non-Executive Independent Director	1. Audit Committee, Vice - Chairman 2. Remuneration Committee, Member 3. Nomination Committee, Member	-	-
Bradley Paul L.	Non-Executive	1. Audit Committee,	1. Blue Ant Media Inc.	1. BoD, Non-Executive

Martin	Independent Director		Member 2. Risk Committee, Vice- Chairman 3. Remuneration Committee, Vice - Chairman 4. Nomination Committee, Vice - Chairman		2. Resolute Forest Products Inc. 3. Fairfax Financial Holdings Limited		Director 2. Chairman, Non-Executive Director 3. Executive Officer
Jawaid A. Mirza	Non-Executive Independent Director	1. 2.	Audit Committee, Chairman Risk Committee, Member	1.	Commercial International Bank (CIB)	1.	BoD, Non-Executive Director
George E. Myhal	Non-Executive Independent Director	1.	Nomination Committee, Member	1. 2. 3. 4. 5. 6. 7.	Partners Value Investments L.P. Partners Value Investments Inc Brookfield Annuity Corporation Brookfield Annuity Holdings Inc Riskcorp Inc Partners Limited Windermere Investment Corporation	1. 2. 3. 4. 5. 6. 7.	Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Controlled entity
Lucrezia Reichlin	Non-Executive Independent Director	1. 2.	Remuneration Committee, Chairwoman Nomination Committee, Chairwoman	1. 2. 3. 4.	Ageas Insurance Group Messagerie Italiane Group Now-Casting Economics Limited International Financial Reporting Standards Foundation (IFRS)	1. 2. 3. 4.	Non-Executive Director Non-Executive Director Chairman & Co-Founder – Non-Executive Director Trustee
Aikaterini K. Beritsi	Non-Executive Director (representative of the HFSF under Law 3864/2010)	1. 2. 3. 4.	Audit Committee, Member Risk Committee, Member Nomination Committee, Member Remuneration Committee, Member				

For the purposes of this Prospectus, the business address of each member of the Board of Directors of Eurobank is that of Eurobank Ergasias S.A.'s registered office.

Executive Board

The Chief Executive Officer establishes committees to assist him as required, the most important of which is the Executive Board. The Executive Board's members along with their principle activities outside the Group which are significant with respect to the Bank, as at 23 May 2018, are the following:

		Principal activities outside the Group	
Name	***Position held on Executive Board of Eurobank***	***Company***	***Position***
Fokion C. Karavias	Chairman	-	-
Stavros E. Ioannou	Member	1. Grivalia Properties REIC	1. BoD, Non-Executive Director

Theodoros A. Kalantonis	Member	1.	Eurolife ERB General Insurance S.A.	1.	Vice – Chairman Non-Executive Director
		2.	Eurolife ERB Life Insurance S.A.	2.	Vice – Chairman Non-Executive Director
		3.	Eurolife ERB Insurance Group Holdings Societe Anonyme	3.	Vice – Chairman Non-Executive Director
		4.	ERB Insurance Services S.A.	4.	Vice-Chairman
Christos N. Adam	Member	-		-	
Dimosthenis I. Arhodidis	Member	-		-	
Harris V. Kokologiannis	Member	-		-	
Christina Th. Theofilidi	Member	1.	Tiresias Bank Information Systems S.A.	1.	BoD, Non-Executive Director
Konstantinos V. Vassiliou	Member	1.	Kultia S.A.	1.	Shareholder (49%)
		2.	Karampela Bros S.A.	2.	Shareholder (<3.5%)
		3.	Hellenic Exchanges – Athens Stock Exchange S.A.	3.	BoD, Non-Executive Director
		4.	Stone Group S.A.	4.	Non-Executive, Member of the Advisory Committee
Constantinos A. Vousvounis	Member	1.	Global Finance S.A.	1.	BoD, Director
Iakovos D. Giannaklis	Member	-		-	
Michalis L. Louis	Member	-		-	
Anastasios L. Panoussis	Member	1.	Achilefs III Energiaki EPE	1.	Shareholder (50%)
Apostolos P. Kazakos	Member	-		-	

For the purposes of this Prospectus, the business address of each member of the Executive Board is that of Eurobank Ergasias S.A.'s registered office.

There are no potential conflicts of interest between the duties to Eurobank of each of the members of the Board of Directors and the members of the Executive Board listed above and their private interests or other duties.

Subsidiaries and Associates

In its effort to provide its clients with an active and competitive presence in all categories of financial products and services, Eurobank has established specialised subsidiaries and forged alliances with other organisations for the joint development and distribution of products.

The proportions of shares in subsidiary undertakings which are included in Eurobank's Group consolidated financial statements are shown below:

Subsidiary Undertakings	*% as at 31.12.2017*	*Country of Incorporation*	*Category of Business*
Be Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services	***98.01***	***Greece***	***Business-to-business e-commerce, accounting and tax services***
Eurobank Asset Management Mutual Fund Mngt Company S.A.	***100.00***	***Greece***	***Mutual fund and asset management***
Eurobank Equities S.A.	***100.00***	***Greece***	***Capital markets and advisory services***
Eurobank Ergasias Leasing S.A.	***100.00***	***Greece***	***Leasing***
Eurobank Factors S.A.	***100.00***	***Greece***	***Factoring***
Eurobank FPS Loans and Credits Claim Management S.A.	***100.00***	***Greece***	***Loans and Credits Claim Management***
Eurobank Household Lending Services S.A.	***100.00***	***Greece***	***Promotion/management of household products***
Eurobank Property Services S.A.	***100.00***	***Greece***	***Real estate services***
Hellenic Post Credit S.A.	***50.00***	***Greece***	***Credit card management and other services***
Herald Greece Real Estate development and services company 1	***100.00***	***Greece***	***Real estate***
Herald Greece Real Estate development and services	***100.00***	***Greece***	***Real estate***

company 2			
Standard Ktimatiki S.A.	***100.00***	***Greece***	***Real estate***
Eurobank Bulgaria A.D.	***99.99***	***Bulgaria***	***Banking***
Bulgarian Retail Services A.D.	***100.00***	***Bulgaria***	***Rendering of financial services and credit card management***
ERB Property Services Sofia A.D.	***100.00***	***Bulgaria***	***Real estate services***
ERB Leasing E.A.D.	***100.00***	***Bulgaria***	***Leasing***
IMO 03 E.A.D.	***100.00***	***Bulgaria***	***Real estate services***
IMO Central Office E.A.D.	***100.00***	***Bulgaria***	***Real estate services***
IMO Property Investments Sofia E.A.D.	***100.00***	***Bulgaria***	***Real estate services***
ERB Hellas (Cayman Islands) Ltd	***100.00***	***Cayman Islands***	***Special purpose financing vehicle***
Berberis Investments Ltd	***100.00***	***Channel Islands***	***Holding company***
ERB Hellas Funding Ltd	***100.00***	***Channel Islands***	***Special purpose financing vehicle***
Eurobank Cyprus Ltd	***100.00***	***Cyprus***	***Banking***
CEH Balkan Holdings Ltd	***100.00***	***Cyprus***	***Holding company***
Chamia Enterprises Company Ltd	***100.00***	***Cyprus***	***Special purpose investment vehicle***
ERB New Europe Funding III Ltd	***100.00***	***Cyprus***	***Finance company***
Foramonio Ltd	***100.00***	***Cyprus***	***Real estate***
NEU 03 Property Holdings Ltd	***100.00***	***Cyprus***	***Holding company***
NEU II Property Holdings Ltd	***100.00***	***Cyprus***	***Holding company***
NEU BG Central Office Ltd	***100.00***	***Cyprus***	***Holding company***
NEU Property Holdings Ltd	***100.00***	***Cyprus***	***Holding company***
Densho investments	***100.0***	***Cyprus***	***Real Estate***
Lenevino Holdings Ltd	***100.0***	***Cyprus***	***Real Estate***
Mesal Holdins Ltd	***100.0***	***Cyprus***	***Real Estate***
Eurobank Private Bank Luxembourg S.A.	***100.00***	***Luxembourg***	***Banking***
Eurobank Fund Management Company (Luxembourg) S.A.	***100.00***	***Luxembourg***	***Fund management***
Eurobank Holding (Luxembourg) S.A.	***100.00***	***Luxembourg***	***Holding company***
ERB New Europe Funding B.V.	***100.00***	***Netherlands***	***Finance company***
ERB New Europe Funding II B.V.	***100.00***	***Netherlands***	***Finance company***
ERB New Europe Holding B.V.	***100.00***	***Netherlands***	***Holding company***
Bancpost S.A.	***99.15***	***Romania***	***Banking***
ERB IT Shared Services S.A.	***100.00***	***Romania***	***Informatics data processing***
ERB Leasing IFN S.A.	***100.00***	***Romania***	***Leasing***
ERB Retail Services IFN S.A.	***100.00***	***Romania***	***Credit card management***
Eurobank Finance S.A.	***100.00***	***Romania***	***Investment banking***
Eurobank Property Services S.A.	***100.00***	***Romania***	***Real estate services***
IMO Property Investments Bucuresti S.A.	***100.00***	***Romania***	***Real estate services***
IMO-II Property Investments S.A.	***100.00***	***Romania***	***Real estate services***
Eurobank A.D. Beograd	***99.99***	***Serbia***	***Banking***
ERB Leasing A.D. Beograd (1)	***99.99***	***Serbia***	***Leasing***
ERB Property Services d.o.o. Beograd	***100.00***	***Serbia***	***Real estate services***
IMO Property Investments A.D. Beograd	***100.00***	***Serbia***	***Real estate services***
ERB Istanbul Holding A.S.	***100.00***	***Turkey***	***Holding company***
ERB Hellas Plc	***100.00***	***United Kingdom***	***Special purpose financing vehicle***
Anaptyxi SME I Plc	-	***United Kingdom***	***Special purpose financing vehicle***
Karta II Plc	--	***United Kingdom***	***Special purpose financing vehicle***
Themeleion II Mortgage Finance Plc (1)	-	***United Kingdom***	***Special purpose financing vehicle***
Themeleion III Mortgage Finance Plc (1)	-	***United Kingdom***	***Special purpose financing vehicle***
Themeleion IV Mortgage Finance Plc (1)	-	***United Kingdom***	***Special purpose financing vehicle***
Themeleion Mortgage Finance Plc (1)	-	***United Kingdom***	***Special purpose financing vehicle***
Tegea Plc	-	***United Kingdom***	***Special purpose financing vehicle***

(2) Entities under liquidation at 31 Deceember 2017.

Legal Matters

As at 31 December 2017, there were a number of legal proceedings outstanding against the Group for which a provision of €70 million was recorded compared to €67 million as at 31 December 2016. In addition, the Group has recognised adequate provisions for tax receivables mainly in relation to withholding tax claims against the Greek state and amounts of income tax already paid but further pursued in courts.

Furthermore, the Group is involved in a number of legal proceedings, in the normal course of business, which may be in early stages; their settlement may take years before they are resolved or their final outcome may be considered uncertain. For such cases, after considering the opinion of the Legal Services General Division, Management does not expect that there will be an outflow of resources and therefore no provision is recognised.

Against the Bank various remedies have been filed in the form of lawsuits, applications for injunction measures and motions to vacate payment orders in relation to the contractual clauses of mortgage loans granted by the Bank in Swiss Francs (CHF) and the conditions under which the loans were granted. A class action has also been filed. From a courts' viewpoint it may be sustained that the issue is presently found at a premature stage, considering that a substantial number of first instance courts judgments have been issued, the majority of which are in favour of the Bank. Furthermore, there are eleven appellate court judgments in cases concerning the Bank, in favour of the validity of the loans and one against. To date, no judgment of the *Areios Pagos*, the Supreme Civil Court of Greece, has been passed. On the class action a judgment was issued which accepted it, the Bank, though has filed an appeal against the first instance judgment the decision of which was issued in February 2018, in favour of the Bank. This decision is subject to a cassation before the Supreme Court. In relation to the individual lawsuits the majority of the judgments issued are in favour of the Bank.

The Management of the Bank is closely monitoring any developments to the relevant cases to determine potential accounting implications in accordance with the Group's accounting policies.

REGULATION AND SUPERVISION OF BANKS IN THE HELLENIC REPUBLIC

The Group is subject to financial services laws, regulations, administrative actions and policies in each location where its members operate. In addition, due to the trading of the Bank's ordinary shares on the ATHEX, the Bank is also subject to the applicable capital markets laws.

The Regulatory Framework for Bank Supervision - The Bank of Greece and the Single Supervisory Mechanism ("SSM")

The Bank of Greece is the central bank in Greece and the national supervisory authority for credit institutions in Greece, in accordance with Law 4261/2014, which transposed the Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "CRD IV").

The ECB is the central bank for the euro and administers the monetary policy of the Eurozone. With the goal of establishing the SSM to oversee credit institutions in the Eurozone, Regulation No. 1024/2013/EC gave to the ECB, in conjunction with the national supervisory authorities of the Eurozone Members, direct supervisory responsibility over "banks of systemic importance" in the Eurozone. Banks of systemic importance include, among others, any Eurozone bank that has: (i) assets greater than €30 billion; (ii) assets constituting at least 20 per cent. of its home country's gross domestic product; (iii) requested or received direct public financial assistance from the EFSF or the ESM; or (iv) is one of the three most significant credit institutions in its home country.

The ECB fully assumed the following supervisory responsibilities, among others, on 4 November 2014:

- to grant and revoke authorisations regarding credit institutions;
- with respect to credit institutions establishing a branch or providing cross border services in EU Member States that are not part of the Eurozone, to carry out the tasks of the competent authority of the home Member State;
- to assess notifications regarding the acquisition and disposal of qualifying holdings in credit institutions;
- to ensure compliance with respect to provisions regarding requirements on credit institutions in the areas of own funds requirements, securitisation, large exposure limits, liquidity, leverage, as well as reporting and public disclosure of information on those matters;
- to ensure compliance with respect to corporate governance, including requirements for the persons responsible for the management of credit institutions, risk management processes, internal control mechanisms, remuneration policies and practices and effective internal capital adequacy assessment processes (including internal ratings based models);
- to carry out supervisory reviews, including, where appropriate and in coordination with the European Banking Authority ("EBA"), stress tests and their possible publication and on the basis of such reviews to impose on credit institutions specific additional own funds requirements, specific publication requirements, specific liquidity requirements and other measures;
- to supervise the credit institutions on a consolidated basis over parent entities established in one of the Eurozone Members including in colleges of supervisors; and

- to carry out supervisory tasks in relation to recovery plans, provide early intervention where a credit institution or group does not meet or is likely to breach the applicable prudential requirements and, only in the cases explicitly permitted under law, implement structural changes to prevent financial stress or failure, excluding any resolution powers.

As regards the monitoring of credit institutions, the national supervisory authorities will continue to be responsible for supervisory matters not conferred on the ECB, such as consumer protection, money laundering, payment services, and branches of third country banks. The ECB, on the other hand, is exclusively responsible for prudential supervision of "banks of systemic importance", which includes the power to: (i) authorise and withdraw authorisation of banks in the Eurozone; (ii) assess acquisition and disposal of qualifying holdings in banks; (iii) ensure compliance with all prudential requirements on credit institutions; (iv) set, where necessary, higher prudential requirements for capital buffers aimed at addressing systemic or macro prudential risk under the conditions provided by EU law; (v) ensure compliance with requirements that impose, among others, robust corporate governance practices and internal capital adequacy assessment controls; and (vi) intervene at the early stages when a credit institution does not meet or is likely to breach the applicable prudential requirements.

The ECB also has the right to impose pecuniary sanctions on credit institutions and adopt regulations only to the extent necessary to organise or specify the arrangements for the carrying out of the tasks conferred on it.

The ECB and the national central banks of Eurozone Members together constitute the Eurosystem, the central banking system of the Eurozone. The ECB exercises its supervisory responsibilities in co-operation with the national regulatory authorities in the various Member States. As such, in Greece, the ECB cooperates with the Bank of Greece.

The operation and supervision of credit institutions within the EU is governed by the CRD IV and Regulation (EU) No 575/2013, as amended by Regulation 2017/2401 which shall apply from 1 January 2019 and by Regulation 2017/2295 which shall apply from 2 January 2019, on prudential requirements for credit institutions and investment firms (the "CRR").

On 23 November 2016, the European Commission published legislative proposals for amendments to the CRR, the CRD IV, the BRRD and the SRM Regulation and proposed an amending directive to facilitate the creation of a new asset class of "non-preferred" senior debt (the "Proposals"). The Proposals cover multiple areas, including the Pillar II capital framework, the leverage ratio, mandatory restrictions on distributions, permission for reducing own funds and eligible liabilities, macro prudential tools, a new category of "non-preferred" senior debt, the minimum requirement for own funds and eligible liabilities ("MREL") framework and the integration of the total loss absorbing capacity standard into EU legislation as mentioned above. The Proposals have been submitted to the European Parliament and the Council of the European Union for their consideration under the ordinary legislative procedure and therefore remain subject to change.

Capital Adequacy Framework

In December 2010, the Basel Committee on Banking Supervision issued two prudential regulation framework documents ("Basel III: A global regulatory framework for more resilient banks and banking systems" and "Basel III: International framework for liquidity risk measurement, standards and monitoring", as subsequently revised and/or superseded) which contain the Basel III capital and liquidity reform package. The Basel III framework has been implemented in the EU through the CRD IV and the CRR.

Full implementation of the above framework began on 1 January 2014, with particular elements being phased in in stages (the requirements will be largely fully effective by 2019 and some minor transitional provisions provide for the phase-in until 2024), but it is possible that in practice implementation under national laws may be delayed until after such date.

Some major points of the new framework include the following:

Quality and Quantity of Capital

The CRR revised the definition of regulatory capital and its components at each level. It also introduced a minimum CET1capital ratio of 4.5 per cent. (as from January 2015) and Tier 1 capital ratio of 6 per cent. (as from January 2015), and a requirement for Additional Tier 1 instruments to have a mechanism that requires them to be written off on the occurrence of a trigger event.

Under CRD IV, banks are required to gradually increase their capital conservation buffer to 2.5 per cent. by 2019 beyond existing minimum equity (i.e. 0.625 per cent. as of 1 January 2016, 1.25 per cent. as of 1 January 2017 and 1.875 per cent. as of 1 January 2018), raising the minimum Common Equity Tier 1 capital ratio to 7 per cent. and the total capital ratio to 10.5 per cent. in 2019.

Capital Conservation Buffer

In addition to the minimum CET1 1 capital ratio and Tier 1 capital ratio, credit institutions will be required to hold an additional buffer of 2.5 per cent. in 2019 of their RWAs consisting of CET1 items as capital conservation buffer. Depletion of the capital conservation buffer will trigger limitations on dividends, distributions on capital instruments and compensation and it is designed to absorb losses in stress periods.

Systemic Risk Buffer

According to the CRD IV, competent authorities may require the creation of a buffer against systemic risk in the financial sector or subsets thereof, in order to prevent and mitigate long-term non-cyclical systemic or macro prudential risks not covered by the CRR (i.e., a risk of disruption to the financial system with the potential to have serious negative consequences to the financial system and the real economy in the relevant Member State). The buffer may vary from 1 per cent. to 5 per cent. and is constituted by CET1 elements.

Deductions from CET1

The CRR revises the definition of items that should be deducted from regulatory capital. In addition, most of the items that are now required to be deducted from regulatory capital will be deducted in whole from the CET1 component.

Limits for grandfathering of items within CET1, Additional Tier 1 and Tier 2 capital

Capital instruments that no longer qualify as CET1 capital, Additional Tier 1 or Tier 2 capital will be phased out over a period beginning 1 January 2014 and ending 31 December 2021. The regulatory recognition of capital instruments qualifying as own funds until 31 December 2011 will be reduced by a specific percentage in subsequent years. Step-up instruments will be phased out at their effective maturity date if the instruments do not meet the new criteria for inclusion in Tier 1 or Tier 2. Existing public sector capital injections were grandfathered until 31 December 2017.

No Grandfathering for Instruments issued after 1 January 2014

Only those instruments issued before 31 December 2013 will likely qualify for the transition arrangements discussed above.

Countercyclical Buffer

To protect the banking sector from excess aggregate credit growth, credit institutions will be required under the CRD IV to build up an additional buffer of 0-2.5 per cent. of CET1 during periods of excess credit growth, according to national circumstances. The countercyclical buffer, when in effect, will be introduced as an extension of the conservation buffer range.

Central Counterparties

To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, the Basel Committee supported the efforts of the Committee on Payments and Settlement Systems ("CPSS") and International Organisation of Securities Commissions ("IOSCO") to establish strong standards for financial market infrastructures, including central counterparties. A 2 per cent. risk-weight factor was introduced to all trade exposures to qualifying central counterparties (replacing the previous 0 per cent. risk-weighting). The capitalisation of credit institution exposures to central counterparties will be based in part on the compliance of the central counterparty with the IOSCO standards (since non-compliant central counterparties will be treated as bilateral exposures and will not receive the preferential capital treatment referred to above). As mentioned above, a credit institution's collateral and mark-to-market exposures to central counterparties meeting these enhanced principles will be subject to a 2 per cent. risk-weight, and default fund exposures to central counterparties will be capitalised based on a risk-sensitive waterfall approach.

Asset Value Correlation Multiplier for Large Financial Sector Entities

A multiplier of 1.25 is to be applied to the correlation parameter of all exposures to large financial sector entities meeting particular criteria that are specified in the CRR.

Counterparty Credit Risk

The CRR raised counterparty credit risk management standards in a number of areas, including for the treatment of so-called wrong-way risk, i.e., cases where the exposure increases when the credit quality of the counterparty deteriorates either due to general market risk factors or to the nature of the transactions with the counterparty. The CRR introduced an additional capital charge for potential mark-to-market losses (i.e. credit valuation adjustment risk) associated with deterioration in the creditworthiness of a counterparty and the calculation of "Expected Positive Exposure" by taking into account stressed parameters.

Leverage Ratio

The leverage ratio is calculated by dividing the institution's capital measure (which is Tier 1 capital) by that institution's total exposure measure and is expressed as a percentage. A key distinction between the minimum capital ratio and the leverage ratio is that no risk-weighting is applied to the assets. The provisions of the CRR on leverage were amended and supplemented pursuant to the Commission Delegated Regulation 2015/62 of 10 October 2014, the purpose of which is to ensure that EU credit institutions and investment firms use the same methods to calculate, report and disclose their leverage ratios.

Systemically Important Institutions

Systemically important credit institutions should have loss-absorbing capacity beyond the minimum standards and work on this issue is ongoing. Under the new framework, a systemically important institution may be required to maintain a buffer of up to 2 per cent. of the total risk exposure amount, taking into account the criteria for its identification as a systematically important bank. That buffer shall consist of and be supplemental to CET1 capital.

Liquidity Requirements

The CRR introduced a liquidity coverage ratio which is an amount of unencumbered, high quality liquid assets that must be held by a credit institution to offset estimated net cash outflows over a 30-day stress scenario, and will be phased in gradually, having started at 60 per cent. in 2015, and expected to be 100 per cent. in 2018 and a net stable funding ratio which is the amount of longer-term, stable funding that must be held by a credit institution over a one-year timeframe based on liquidity risk factors assigned to assets and off-balance sheet liquidity exposures, and which is being developed with the aim of introducing it from 1 January 2018, allowing in both cases for Member States to maintain or introduce national provisions until binding minimum standards are introduced by the European Commission. The provisions of the CRR on liquidity requirements were specified pursuant to the Commission Delegated Regulation 2015/61 of 10 October 2014, laying down a full set of rules on the liquid assets, cash outflows and cash inflows needed to calculate the precise liquidity coverage requirement.

In order to foster consistency and efficiency of supervisory practices across the EU, the EBA is continuing to develop the EBA Single Rulebook, a supervisory handbook applicable to EU Member States. However, the EBA Single Rulebook has not yet been finalised.

The CRR contains specific mandates for the EBA to develop draft regulatory or implementing technical standards, as well as guidelines and reports related to liquidity, in order to enhance regulatory harmonisation in Europe through the Single Rulebook. Specifically, the CRR assigns the EBA with advising on appropriate uniform definitions of liquid assets for the liquidity coverage ratio buffer. In addition, the CRR states that the EBA shall report to the Commission on the operational requirements for the holdings of liquid assets. Furthermore, the CRR also assigns the EBA with advising on the impact of the liquidity coverage requirement, on the business and risk profile of institutions established in the European Union, on the stability of financial markets, on the economy and on the stability of the supply of bank lending.

The above topics were addressed by the EBA in two reports published in December 2013: (i) a report on the impact assessment for liquidity measures, followed by a second report thereon on December 2014 and (ii) a report on appropriate uniform definitions of extremely high quality assets and high quality liquid assets and on operational requirements for liquid assets. On 10 October 2014, the European Commission adopted a Delegated Act, specifying the liquidity coverage ratio framework. In view of that, the EBA has amended its Implementing Technical Standards on supervisory reporting of liquidity coverage ratio for EU credit institutions. Also, the Basel Committee's oversight body issued in January 2013 the revised "Basel III Liquidity Coverage Ratio and Liquidity Risk Monitoring Tools", defining, among others, certain specific aspects in relation to the interaction between the liquidity coverage ratio and the use of the central bank committed liquidity facility. On 12 January 2014, the Basel Committee issued final requirements for banks' liquidity coverage ratio-related disclosures, which should be complied with from the date of the first reporting period after 1 January 2015.

In addition to the substantial changes in capital and liquidity requirements introduced by Basel III, the CRR and the CRD IV, there are several new global initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and will impact the EU's future regulatory direction. These initiatives include among others, MiFID II (transposed into national law by Greek Law 4514/2018 as in force from 3 January 2018) and the Regulation on markets in financial instruments and amending Regulation on OTC derivatives, central counterparties and trade repositories (Regulation 600/2014) ("MiFIR") (see—"MiFID - MiFID II – MiFIR – Market Abuse Regulation" below). The Basel Committee has also published certain proposed changes to the current securitisation framework which may be accepted and implemented in due course.

Compliance and Reporting Requirements

The CRD IV was transposed into Greek law by Law 4261/2014 and is applicable from 1 January 2014, although certain provisions (including provisions relating to the requirements to maintain a capital conservation buffer and an institution-specific countercyclical capital buffer, the global and other systematically important institutions, the recognition of a systemic risk buffer rate, the setting of countercyclical buffer rates, the recognition of countercyclical buffer rates in excess of 2.5 per cent., the decision by designated authorities on third country countercyclical buffer rates, the calculation of institution-specific countercyclical capital buffer rates, restrictions on distributions and the capital conservation plan) have gradually entered into force from 1 January 2016. In addition, certain provisions related to administrative penalties and other administrative measures entered into force on 5 May 2014. The CRR is directly applicable from 1 January 2014, with the exception of certain of its provisions which are entering into force gradually during the transition period provided for in the respective articles of the CRR.

According to article 166 of Law 4261/2014, regulatory acts issued under Law 3601/2007 (which was replaced in its entirety by Greek Law 4261/2014) will remain in force, to the extent that they are not contrary to the provisions of Law 4261/2014 or the CRR, until replaced by new regulatory acts issued under Law 4261/2014.

Under the current regulatory framework, credit institutions operating in Greece are required, among others, to:

- observe the liquidity ratios prescribed by the CRR and Bank of Greece Governor's Act 2614/2009, as amended by the Bank of Greece Governor's Act 2626/2010;
- maintain efficient internal audit, compliance and risk management systems and procedures, as determined in the Bank of Greece Governor's Act 2577/2006, as supplemented and amended by subsequent decisions of the Governor of the Bank of Greece and of the Banking and Credit Committee of the Bank of Greece;
- disclose data regarding the credit institution's financial position and its risk management policy;
- provide the Bank of Greece and the ECB with such further information as they may require;
- in connection with certain operations or activities, notify or request the prior approval of the ECB acting in co-operation with the Bank of Greece; and
- permit the Bank of Greece and the ECB to conduct audits and inspect books and records of the credit institution.

If a credit institution breaches any law or a regulation falling within the scope of the supervisory power attributed to the ECB or, as the case may be, the Bank of Greece, the ECB or the Bank of Greece respectively, is empowered to:

- require the relevant bank to take appropriate measures to remedy the breach;
- impose fines;
- appoint a commissioner; and
- where the breach cannot be remedied, revoke the licence of the bank and place it in a state of special liquidation.

In particular, the Bank of Greece or the ECB, as the case may be, may:

- require any bank actually or potentially failing to comply with the requirements set out by Law 4261/2014 and/or the CRR to take any necessary actions at an earlier stage to address relevant problems, including prohibitions or restrictions on dividends, proceeding with a share capital increase or seeking the prior approval of the supervisory authority for future transactions that the supervisory authority finds might be detrimental to the solvency of the bank;

- require a bank to increase its capital within a deadline, pursuant to the provisions of article 136 of Law 4261/2014;

- appoint a commissioner to a bank for a period of up to 12 months pursuant to the provisions of article 137 of Law 4261/2014. This period may be extended several times by up to 6 months. The commissioner will assess the bank's overall financial, administrative and organisational situation and financial condition and take any necessary next steps in order to either prepare the bank for recovery or implementation of resolution measures or place it into special liquidation. The commissioner will be subject to the oversight of the ECB or, as the case may be, the Bank of Greece;

- pursuant to article 138 of Law 4261/2014, extend, after the appointment of a commissioner, by up to 20 working days the period set for the bank to comply with some or all of its obligations (but excluding obligations arising from transactions in financial instruments concluded in the capital markets or money markets, including transactions in the interbank market, and obligations towards participants in any system, as defined in art. 1 of Law 2789/2000), if the bank's liquidity has been significantly reduced and it is expected that its own funds will not be sufficient. The 20-day period may be further extended by 10 working days by decision of the ECB or, as the case may be, the Bank of Greece; and

- appoint a special liquidator to manage the bank pursuant to the provisions of articles 145 to 146 of Law 4261/2014, if the bank's licence has been withdrawn. The Credit and Insurance Affairs Committee of the Bank of Greece, through its Decision No. 180/3/22.2.2016, which repealed Decision No. 21/2/4.11.2011 and Decision No. 221/4/17.3.2017 and as in force, has issued a regulation for the special liquidation of banks, which contains provisions regarding the liquidation of a bank and the administration of the assets of a bank under special liquidation, respectively.

The CRR imposes reporting requirements to the EU credit institutions. These provisions have been supplemented by the EBA Final Guidelines on disclosure requirements for the EU banking sector, issued on 23 December 2014. In addition, with respect to matters not governed by the CRR, periodic reporting requirements of credit institutions towards the Bank of Greece are also set out in Act of the Governor of the Bank of Greece no. 2651/2012.

The reporting requirements include the submission of reports on the below items:

- capital structure, qualifying holdings, persons who have a special affiliation with the bank and loans or other types of credit exposures that have been provided to these persons by the bank;

- own funds and capital adequacy ratios;

- capital requirements for credit risk, counterparty credit risk and delivery settlement risk;
- capital requirements for market risk of the trading portfolio (including foreign exchange risk);
- information on the underlying elements of the trading portfolio;
- capital requirements for operational risk;
- large exposures and concentration risk;
- liquidity risk;
- interbank market details;
- financial statements and other financial information;
- covered bonds;
- internal control systems;
- prevention and suppression of money laundering and terrorist financing;
- information technology systems; and
- other information.

The Bank submits to the Bank of Greece and/or the ECB regulatory reports both at individual and group level, on a daily, monthly, quarterly, semi-annually or annually basis.

Recovery and Resolution of Credit Institutions

On 15 May 2014, the European Parliament and the Council of the European Union adopted the Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the "BRRD") which entered into force on 2 July 2014. The BRRD was transposed into Greek law by virtue of Law 4335/2015, which came into force on 23 July 2015, with the exception of its provisions on the bail-in tool which were initially applicable as of 1 January 2016. Further to the enactment of Law 4340/2015, the bail-in tool came into force as of 1 November 2015, except for the provisions of par. 9 and 11 of article 44 thereof (relating to the loss absorption and other requirements for the contribution of the resolution fund to the resolution of a credit institution when an eligible liability is excluded therefrom or for the resolution authority's funding from alternative financing sources) which came into force on 1 January 2016. In addition, par. 2(b) of article 56 of Law 4335/2015 (relating to the loss absorption requirement for the implementation of government financial stabilisation tools) came into force on 1 January 2016.

The BRRD relies on a network of national authorities and resolution funds to resolve banks. Pursuant to Law 4335/2015, with respect to Greek credit institutions, the Bank of Greece has been designated as the national resolution authority and the Resolution Branch of the Hellenic Deposit and Investment Guarantee Fund ("HDIGF") as the national resolution fund. On 15 July 2014, the European Parliament adopted the Regulation No 806/2014 (the "SRM Regulation") establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (the "SRM") and a Single Resolution Fund (the "SRF"). The SRM became fully operational as of 1 January 2016 and complements the Single Supervisory Mechanism. Pursuant to the SRM Regulation, the authority to plan the resolution and resolve credit

institutions which are subject to direct supervision by the ECB has been conferred from the current resolution authority, the Bank of Greece, to the Single Resolution Board ("SRB") as of 1 January 2016 (for further details, see "Single Resolution Mechanism" below).

Recovery and resolution powers

The framework set out in Law 4335/2015 applies in relation to credit institutions of all sizes, as well as investment firms that are subject to an initial capital requirement of EUR 730,000. The powers provided to the competent Greek authorities for credit institutions, the Bank of Greece and the resolution authority in Law 4335/2015 in respect of credit institutions are divided into three categories:

a) *Preparation and prevention*: Law 4335/2015 provides for preparatory steps and plans to minimise the risks of potential problems. Under Law 4335/2015, credit institutions are required to prepare recovery plans while the resolution authority prepares a resolution plan for each credit institution. Law 4335/2015 also reinforces authorities' supervisory powers to address or remove impediments to resolvability. Financial groups may also enter into intra-group support agreements to limit the development of a crisis;

b) *Early intervention*: In the event of incipient problems, Law 4335/2015 grants powers to the competent authority to arrest a bank's deteriorating situation at an early stage so as to avoid insolvency. Such powers include, among others, requiring an institution to implement its recovery plan, replace existing management, draw up a plan for the restructuring of debt with its creditors, change its business strategy and change its legal or operational structures. If such tools prove to be insufficient, new senior management or management body will be appointed subject to the approval of the competent authority which is also entitled to appoint one or more temporary administrators; and

c) *Resolution*: Resolution is the means to reorganise or wind down the bank in an orderly fashion outside insolvency while preserving its critical functions and limiting to the maximum extent any exposure of taxpayers to losses.

Conditions for resolution

The conditions that have to be met before the resolution authority takes a resolution action in relation to a credit institution are the following:

a) the competent authority, after consulting with the resolution authority, determines that the institution is failing or likely to fail. An institution will be deemed to be failing or likely to fail in one or more of the following circumstances:

   (i) it infringes or is likely to infringe the requirements for continuing authorisation in a way that would justify the withdrawal of its authorisation such as, including but not limited to, incurring losses that will deplete all or a significant amount of its own funds;

   (ii) the institution's assets are or there are objective indications to support a determination that the assets of the institution will, in the near future, be less than its liabilities;

   (iii) the institution is or there are objective indications to support a determination that the institution will, in the near future, be unable to pay its debts or other liabilities as they fall due; or

   (iv) extraordinary public financial support is required, unless the support takes one of the forms specified in article 32(3)(d)(i),(ii) or (iii) of Law 4335/2015, which mirrors the relevant provisions of the BRRD.

b) having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector or supervisory action, including early intervention measures or the write down or conversion of relevant capital instruments taken in respect of the institution, would prevent the failure of the institution within a reasonable timeframe; and

c) a resolution action is necessary for promoting the public interest, i.e., it is necessary for the achievement of, and is proportionate to, one or more of the resolution objectives set out in article 31 of Law 4335/2015 and the winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

Resolution tools

When the trigger conditions for resolution are satisfied, Law 4335/2015 sets out a minimum set of resolution tools that the resolution authority shall have the power to apply individually or in combination in line with the provisions of the BRRD. These tools are the following:

a) the sale of business tool, which enables the resolution authority to transfer the shares or other titles of ownership or all or any assets, rights or liabilities of the institution to a purchaser (that is not a bridge institution) on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply except those procedural requirements set out in Law 4335/2015;

b) the bridge institution tool, which enables the resolution authority to transfer shares or other titles of ownership or all or any assets, rights or liabilities of the institution to a bridge institution, a publicly controlled entity, without requiring the consent of the shareholders. The operations of the bridge institution are temporary, the aim being to sell the business to the private sector when market conditions are appropriate;

c) the asset separation tool, which enables the resolution authority to transfer assets, rights and liabilities, without obtaining the consent of shareholders of the institution under resolution to an asset management vehicle to allow them to be managed and worked out over time. Such a transfer may only be made either: (i) where the market situation for said assets is such that liquidation of said assets under normal insolvency proceedings could have an adverse effect on one or more financial markets, or (ii) the transfer is necessary to ensure the proper functioning of the institution under resolution or bridge institution, or (iii) the transfer is necessary to maximise liquidation proceeds. This tool may be used only in conjunction with other tools to prevent an undue competitive advantage for the failing institution; and

d) the bail-in tool. Through this tool, the resolution authority has the power to write down eligible liabilities of a failing institution and/or to convert such claims to equity. The resolution authority may use this tool only (i) to recapitalise the institution to the extent sufficient to restore its ability to comply with the conditions for its authorisation, to continue to carry out the activities for which it is authorised and to restore the institution to financial soundness and long-term viability or (ii) to convert to equity or reduce the principal amount of obligations or debt instruments that are transferred to a bridge institution (with a view to providing capital to such bridge institution) or that are transferred under the sale of business tool or the asset separation tool.

Law 4335/2015 establishes the sequence in which the resolution authority should apply the power to write down or convert obligations of an entity under resolution. Obligations should be reduced in the following order:

(a) CET1;

(b) Additional Tier 1 instruments;

(c) Tier 2 instruments;

(d) other subordinated debt, in accordance with the normal insolvency ranking; and

(e) other eligible liabilities, in accordance with the normal insolvency ranking.

The following liabilities are excluded from the bail-in tool:

(a) Covered deposits;

(b) secured liabilities including covered bonds and liabilities in the form of financial instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to covered bonds;

(c) any liability that arises by virtue of the holding by the institution of client assets or client money including client assets or client money held on behalf of UCITS as defined in paragraph 2 of article 2 of Greek Law 4099/2012 or of AIFs as defined in point (a) of paragraph 1 of article 4 of Greek Law 4209/2013, provided that such a client is protected under the applicable insolvency law;

(d) any liability that arises by virtue of a fiduciary relationship between the institution (as fiduciary) and another person (as beneficiary), provided that such beneficiary is protected under the applicable insolvency or civil law;

(e) liabilities to institutions, excluding entities that are part of the same group, with an original maturity of less than seven days;

(f) liabilities with a remaining maturity of less than seven days, owed to systems or operators of systems designated according to Greek Law 2789/2000 or their participants and arising from the participation in such a system;

(g) deposits of the HDIGF (as defined below) and the Athens Stock Exchange Members' Guarantee Fund;

(h) a liability to any one of the following:

(i) an employee, in relation to accrued salary, termination compensation, pension benefits or other fixed remuneration, except for the variable component of remuneration that is not regulated by a collective bargaining agreement;

(ii) a commercial or trade creditor arising from the provision to the institution of goods or services that are critical to the daily functioning of its operations, including IT services, utilities and the rental, servicing and upkeep of premises;

(iii) tax and social security authorities, provided that those liabilities are preferred under the applicable law; and

(iv) deposit guarantee schemes arising from contributions due in accordance with Directive No. 2014/49/EU, which was transposed into Greek law by Law 4370/2016 (see "Hellenic Deposit and Investment Guarantee Fund ("HDIGF")" below).

For the purposes of the bail-in tool, institutions are required under Law 4335/2015 to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities, the aim of which is to ensure that banks have sufficient loss-absorbing capacity. Such requirement is calculated as the amount of own funds and eligible liabilities expressed as a percentage of the total liabilities and own funds of the institution.

Extraordinary Public Financial Support

In cases of an exceptional systemic crisis, extraordinary public financial support may be provided, by virtue of a decision of the Minister of Finance, following a recommendation of the Systemic Stability Board and a consultation with the resolution authorities, through public financial stabilisation tools as a last resort and only after having assessed and utilised, to the maximum extent, the other resolution tools, in order to avoid, through the direct intervention, the winding-up of the said institutions and in order for the resolution purposes to be accomplished. The public financial stabilisation tools are:

(a) public capital support provided by the Ministry of Finance or by the HFSF following a decision by the Minister of Finance; and

(b) temporary public ownership of the institution, i.e. the transfer of the shares of an institution to a transferee of the Greek State or a company which is fully owned and controlled by the Greek State.

The following conditions must be cumulatively met in order for the public financial stabilisation tools to be implemented:

(a) the institution meets the conditions for resolution;

(b) the shareholders, owners of other instruments of ownership, holders of relevant capital instruments and the holders of eligible liabilities have contributed, through conversion, write down or by any other means, to the absorption of losses and the recapitalisation by an amount equal to at least 8 per cent. of the total liabilities, including own funds of the institution under resolution, calculated at the time of the resolution action in accordance with the valuation conducted, and

(c) prior and final approval by the European Commission regarding the EU state aid framework for the use of the chosen tool has been granted.

In addition to the above, for the provision of public financial support, one of the following conditions must be met:

(a) the application of the resolution tools would not suffice to avoid a significant adverse effect on the financial stability;

(b) the application of the resolution tools would not suffice to protect the public interest, where extraordinary liquidity assistance from the central bank has previously been given to the institution; and

(c) in respect of the temporary public ownership tool, the application of the resolution tools would not suffice to protect the public interest, where capital support through the public capital support tool has previously been given to the institution.

By way of exception, extraordinary public financial support may be granted to a credit institution in the form of an injection of own funds or purchase of capital instruments without implementation of resolution measures, under the following cumulative conditions:

- in order to remedy a serious disturbance in the economy and preserve financial stability;
- to a solvent credit institution in order to address a capital shortfall identified in a ST, assets quality reviews or equivalent exercises;
- at prices and on terms that do not confer an advantage upon the institution;
- on a precautionary and temporary basis;
- subject to final approval of the European Commission;
- being proportional to remedy the consequences of the serious disturbance;
- not to be used to offset losses that the institution has incurred or is likely to incur in the near future;
- the credit institution has not infringed and there are no objective elements to support that the credit institution will, in the near future, infringe its authorisation requirements in a way that would justify the withdrawal of its authorisation;
- the assets of the credit institution are not and there are no objective elements to support that the assets of the credit institution will, in the near future, be less than its liabilities;
- the credit institution is not and there are no objective elements to support that the credit institution will be unable to pay its debts or other liabilities when they fall due; and
- the circumstances for the exercise of the write down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the institution do not apply.

Resolution authority's powers

The resolution authority has a broad range of powers when applying resolution measures and tools. The following are general powers, and may be exercised individually or in any combination:

(a) to require any person to provide any information required for the resolution authority to decide upon and prepare a resolution action, including updates and supplements of information provided in the resolution plans and requiring information to be provided through on-site inspections;

(b) to take control of an institution under resolution and exercise all the rights and powers conferred upon the shareholders, other owners and the management body of the institution under resolution;

(c) to transfer shares or other instruments of ownership issued by an institution under resolution;

(d) to transfer to another entity, with the consent of that entity, rights, assets or liabilities of an institution under resolution;

(e) to reduce or eliminate the principal amount of or outstanding amount due in respect of eligible liabilities, of an institution under resolution;

(f) to convert eligible liabilities of an institution under resolution into ordinary shares or other instruments of ownership of that institution or entity referred to in point (b), (c) or (d) of article 1(1) of Law 4335/2015, a relevant parent institution or a bridge institution to which assets, rights or liabilities of the institution or the entity are transferred;

(g) to cancel debt instruments issued by an institution under resolution except for secured liabilities;

(h) to reduce or eliminate the nominal amount of shares or other instruments of ownership of an institution under resolution and to cancel such shares or other instruments of ownership;

(i) to require an institution under resolution or a relevant parent institution to issue new shares or other instruments of ownership or other capital instruments, including preference shares and contingent convertible instruments;

(j) to amend or alter the maturity of debt instruments and other eligible liabilities issued by an institution under resolution or amend the amount of interest payable under such instruments and other eligible liabilities, or the date on which the interest becomes payable, including by suspending payment for a temporary period, except for secured liabilities;

(k) to close out and terminate financial contracts or derivatives contracts;

(l) to remove or replace the management body and senior management of an institution under resolution; and

(m) to require the competent authority to assess the buyer of a qualifying holding in a timely manner by way of derogation from the time limits prescribed in relation to the notification obligations for qualifying holdings.

The resolution authority, when applying the resolution tools and exercising the resolution powers, must have regard to the following objectives:

(a) ensure the continuity of critical functions;

(b) avoid significant adverse effects on financial stability, including by preventing contagion, and maintaining market discipline;

(c) protect public funds by minimising reliance on extraordinary public financial support;

(d) avoid unnecessary deterioration of value and seek to minimise the cost of resolution;

(e) protect depositors and investors covered by deposit guarantee schemes and investor compensation schemes, respectively; and

(f) protect client funds and client assets;

as well as the following principles:

(a) the shareholders of the institution under resolution bear losses first;

(b) the creditors of the institution under resolution bear losses after the shareholders in accordance with the order of priority of their claims under normal insolvency proceedings;

(c) senior management or the management body of the institution under resolution are replaced unless it is deemed that retaining management is necessary for the resolution purposes;

(d) senior management or the management body of the institution under resolution shall provide all necessary assistance for the achievement of the resolution objectives;

(e) natural and legal persons remain liable, under Greek civil or criminal law for the failure of the institution;

(f) except where specifically provided in Law 4335/2015, creditors of the same class are treated in an equitable manner;

(g) no creditor incurs greater losses than would be incurred if the institution would have been wound down under normal insolvency proceedings ("No Creditor Worse Off" principle);

(h) covered deposits are fully protected; and

(i) resolution action is taken in accordance with the relevant safeguards provided in Law 4335/2015.

Valuation

With regard to valuation of assets, the implementation of the resolution tools and powers is based on an assessment of the real value of the assets and liabilities of the institution failing or about to fail. Therefore, the resolution authority ensures that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority, including the resolution authority and the institution. Such valuer is appointed by the resolution authority.

Single Resolution Mechanism

The SRM Regulation builds on the rulebook on bank resolution set out in the BRRD and establishes the SRM, which complements the SSM and centralises key competences and resources for managing the failure of any bank in the Eurozone and in other Member States participating in the Banking Union. The SRM Regulation also established the SRB, vested with centralised power for the application of the uniform resolution rules and procedures, and the SRF, supporting the SRM. The main objective of the SRM is to ensure that potential future bank failures in the Banking Union are managed efficiently, with minimal costs to taxpayers and the real economy. The SRB started its work as an independent EU agency on 1 January 2015 and became fully operational as of January 2016. Pursuant to the SRM Regulation, the authority to plan the resolution and resolve credit institutions which are subject to direct supervision by the ECB has been conferred from the current resolution authority, the Bank of Greece, to the SRB as of 1 January 2016. The SRM Regulation establishes the following:

The SRM applies to all banks supervised by the SSM. If a bank supervised by the SSM infringes or is likely to infringe in the near future capital or liquidity requirements (e.g. because of a rapidly deteriorating financial condition such as a deterioration of the liquidity situation, an increase of the level of leverage and non-performing loans), the ECB will have the power to impose early intervention measures. These measures include the power to require changes to the legal or operational structure of a bank, or the business strategy, and the power to require the managing board to convene a general meeting of shareholders, with the power of the ECB to set the agenda and require certain decisions to be considered for adoption by the general meeting.

The SRB shall prepare resolution plans for, and directly resolve all credit institutions directly supervised by the ECB and cross-border groups. National resolution authorities shall prepare resolution plans and resolve banks which only operate nationally and are not subject to full ECB direct supervision, provided that this does not involve any use of the SRF. Member States can opt to have the SRB directly responsible for all their credit institutions. The SRB would decide in any case for all credit institutions, including those that operate nationally and are not subject to full ECB direct supervision, whether resolution will involve the use of the SRF.

Centralised decision-making is built around a strong SRB and involves permanent members, as well as the European Commission, the European Council, the ECB and the national resolution authorities. In most cases, the ECB would notify that a bank is failing to the SRB, the European Commission, and the relevant national resolution authorities. The SRB would then assess whether there is a systemic threat and any private sector solution.

In certain circumstances, including if a bank reaches a point of non-viability or where certain forms of extraordinary public financial support are required, the SRB in close co-operation with the relevant national resolution authority could take pre-resolution measures. These measures include the write-down and cancellation of shares or other instruments of ownership for shares, and the conversion of capital instruments such as Tier 2 instruments into shares or other instruments of ownership.

If a bank meets the conditions for resolution, the SRB may adopt a resolution plan (for the conditions of resolution, please see “Recovery and Resolution of Credit Institutions” above).

In drawing up the resolution plan SRB identifies all material impediments to resolvability and where necessary, may require the removal of such impediments. To that effect, the resolution plan will set out options for applying the resolution tools and exercising the resolution powers on the credit institution (for a description of such tools and powers, please see “Recovery and Resolution of Credit Institutions” above).

The European Commission is responsible for assessing the discretionary aspects of the SRB’s decision and endorsing or objecting to the resolution scheme. The European Commission’s decision is subject to approval or objection by the European Council only when the amount of resources drawn from the SRF is modified or if there is no public interest in resolving the bank. If the European Council or the European Commission objects to the resolution scheme, the SRB will need to amend it. The resolution scheme will be implemented by the national resolution authorities. If resolution entails state aid, the European Commission would need to approve the aid prior to the adoption of the resolution scheme by the SRB.

In its plenary session, the SRB shall take all decisions of a general nature and any individual resolution decisions involving the use of the SRF in excess of €5 billion. In its executive session, the SRB shall take decisions in respect of individual entities or banking groups where the use of the SRF remained below this threshold. The SRB shall be composed of the Chair, four further full-time members and a member appointed by each participating Member State, representing their national resolution authorities. The Commission and the ECB shall each designate a representative entitled to participate in the meetings of executive sessions and plenary sessions as a permanent observer. In addition, to ensure that the interests of all Member States on which the resolution had an impact were considered, Member States that could potentially be affected by the resolution based on the institution being resolved would also participate in the session. None of the participants in the deliberation would have a veto.

SRB also determines the minimum requirement levels for own funds and eligible liabilities that banks are required to comply with at all times expressed (please see “—Recovery and Resolution of Credit Institutions”). Eligible liabilities are deemed those that may be bailed in using the bail-in tool. Similarly, the Financial Stability Board has issued a proposal for implementing principles on Total

Loss Absorbency Capacity ("TLAC") as a standard for global systemically important banks. The proposals currently contemplate that only CET1 capital in excess of that required to satisfy minimum regulatory capital requirements and minimum TLAC requirements may count towards regulatory capital buffers.

All the banks in the participating Member States shall contribute to the SRF. The SRF has a target level of €55 billion and can borrow if decided by the SRB in its plenary session. The SRF is owned and administrated by the SRB. The SRF would reach a target level of at least 1 per cent. of covered deposits of all credit institutions in Member States participating in the Banking Union over an eight-year period. During this transitional period, the SRF, established by the SRM Regulation, would comprise national compartments corresponding to each participating Member State. The resources accumulated in those compartments would be progressively mutualised over a period of eight years. The establishment of the SRF and its national compartments and decisions as to their use are regulated by the SRM Regulation, while the transfer of national funds into the SRF and the activation of the mutualisation of the contributions are provided for in an inter-governmental agreement signed between the participating Member States in the SRM on 21 May 2014 and ratified by the Greek Parliament on 30 November 2015, by virtue of Greek law 4350/2015. Furthermore, on 24 November 2014 the Commission adopted a Council implementing Act to calculate the contributions of banks to the SRF whereas on 22 January 2015, the Council Implementing Regulation EU 2015/81 specifying uniform conditions of application of the SRM Regulation with regard to *ex ante* contributions to the SRF was issued.

Hellenic Deposit and Investment Guarantee Fund ("HDIGF")

The HDIGF is a private law legal entity and the universal successor of the former Hellenic Deposit Guarantee Fund. The provisions currently applicable to the HDIGF are set out in Law 4370/2016 which came into force on 7 March 2016 and repealed the previously applicable Law 3746/2009, setting out the rules for the operation of guarantee schemes. Law 4370/2016 transposed into Greek law Directive 2014/49/EU that was enacted in June 2014 aiming at strengthening the protection of citizens' deposits in case of bank failures and enhancing the role of deposit guarantee schemes in the financial safety net.

Pursuant to Law 4370/2016, all credit institutions licensed to operate in Greece, with certain exemptions, and the local branches of credit institutions which have been established in non-EU Member States and are not covered by a guarantee scheme equivalent to that of the HDIGF mandatorily participate in the HDIGF. Greek branches of foreign credit institutions established in EU Member States may also become members of the investments cover scheme of HDIGF at their discretion.

The HDIGF is supervised by the Ministry of Finance and managed by a seven-member Board of Directors, of which the Chairman is one of the Deputy Governors of the Bank of Greece, while, of the remaining six members, one comes from the Ministry of Finance, three from the Bank of Greece and two from the Hellenic Bank Association. The Board of Directors, consisting of the members that are proposed as above, is appointed by decision of the Minister of Finance for a five-year term. Where it is called to decide upon resolution matters concerning a particular credit institution, HDIGF's Board of Directors will not comprise the members coming from the Hellenic Bank Association.

The purpose of the HDIGF is (a) to indemnify depositors of the participating credit institutions that become unable to fulfil their obligations towards their depositors and finance resolution measures of credit institutions through the deposits cover scheme (the "Deposits Cover Scheme") in accordance with article 104 of Law 4335/2015; (b) to indemnify investors who are clients of participating credit institutions which may become unable to fulfil their obligations towards their clients in connection with the provision of "covered" investment services through the investments cover scheme (the "Investments Cover Scheme"); and (c) to provide financing for resolution measures of credit

institutions through the resolution scheme (the "Resolution Scheme"). The HDIGF guarantee schemes with respect to Greek credit Institutions also cover deposits of their branches in other EU Member States and deposits of their branches in non EU Member States as well as claims from covered investment services rendered by their branches in other EU Member States or third countries, provided that the relevant deposits (solely if such deposits are in branches of non EU Member States) or claims are not covered by a guarantee scheme equivalent to that of the HDIGF.

Following the enactment of Law 4335/2015, the Resolution Scheme has become Greece's "resolution fund" for the purpose of ensuring the effective application by the Bank of Greece (and as of 1 January 2016 by the SRB), in its capacity of the country's resolution authority, of the resolution tools and powers in accordance with the resolution objectives and the principles set out in articles 31 and 34 of Law 4335/2015 (which mirror articles 31 and 34 of the BRRD). HDIGF's national funds shall be gradually transferred into the SRF pursuant to the intergovernmental agreement signed between the participating Member States in the SRM and ratified by virtue of Greek Law 4350/2015 (see "Single Resolution Mechanism" above).

Under the Deposits Cover Scheme, the maximum coverage limit under Law 4370/2016, for every depositor with deposits not falling in the "exempted deposits" category, taking into account the total amount of its deposits with a credit institution (and regardless of the number of accounts, the currency of such deposits or the place where the account(s) is/are held) minus any due and payable obligations of such depositor towards the relevant credit institution, subject to set-off in accordance with Greek law, is €100,000. By way of exemption, the Deposits Cover Scheme covers deposits at an additional limit of up to a maximum amount of €300,000 deriving from specific activities (such as sale of a private property by an individual, payment of social security/insurance benefits, etc) expressly specified in para 2 of article 9 of Law 4370/2016 credited to the relevant accounts, subject to the time limits and other conditions specified in Law 4370/2016. Under the Investments Cover Scheme, the maximum coverage limit is €30,000 for the total of claims of an investor-client against the credit institution, irrespective of covered investment services, number of accounts, currency and place of provision of the service. Certain deposits and investment services, provided for by articles 8 and 12 of Law 4370/2016, are excluded from the HDIGF coverage.

Pursuant to Law 4370/2016, the participation in the Deposits Cover Scheme involves *ipso jure,* the participation in the Resolution Scheme, while pursuant to Law 4335/2015, the Resolution Scheme is empowered to collect from participating credit institutions, including from the local branches of credit institutions which have been established in non-EU Member States, *ex ante* contributions and, where article 99 of Law 4335/2015 applies, extraordinary ex post contributions, which are calculated pursuant to a decision of the competent authority and, as far as *ex ante* contributions are concerned, depending on the risk profile of credit institutions in accordance with the criteria laid down in the Commission's delegated act adopted pursuant to Article 103(7) of the BRRD (Commission Delegated Regulation (EU) 2015/63 of 21 October 2014 supplementing Directive 2014/59/EU of the European Parliament and the Council with regard to *ex ante* contributions to the national financial arrangements) and in accordance with Council Implementing Regulation (EU) 2015/81 specifying uniform conditions of application of Regulation (EU) No 806/2014 of the European Parliament and of the Council with regard to *ex ante* contributions to the Single Resolution Fund. Further, the criteria relating to the calculation of *ex ante* contributions, and on the circumstances and conditions under which the payment of extraordinary ex post contributions may be partially or entirely deferred, derive from Commission Delegated Regulation 2017/747 of 17 December 2015, supplementing Regulation No 806/2014.

The schemes of the HDIGF are clearly distinct from each other and each has its own assets. Each of the Deposits Cover Scheme and Investments Cover Scheme is funded mainly by the initial contributions, the annual/regular contributions and by extraordinary contributions which are mandatorily paid by the participating credit institutions, donations, the liquidation of claims and the revenues deriving from the management of its assets, while the Resolution Scheme is funded by the

ex ante contributions and extraordinary *ex post* contributions referred to above and alternative funding means of the type contemplated in Article 105 of the BRRD. Also, pursuant to Law 4340/2015 and Law 4346/2015, which amended Law 3864/2010, the HDIGF may receive a resolution loan from the HFSF to cover its expenses for the funding of resolution procedures in line with EU state aid rules. The repayment of such loan will be guaranteed by the credit institutions participating in the HDIGF proportionately to their contributions to the Resolution Scheme or the Deposits Cover Scheme, as the case may be.

In the case that either (i) the Bank of Greece has issued a decision stating that a credit institution does not seem capable of returning a deposit for reasons directly linked to its financial situation and the credit institution does not seem to recover so as to become capable of returning the deposit in the near future; or (ii) a court judgment has been issued resulting in the suspension of the depositors' right to raise claims against the credit institution, the HDIGF shall pay to the depositors the remuneration within seven (7) business days from the date on which the credit institution became unable to pay deposits and following set off of the credit balances of the deposit accounts against any kind of counterclaims that the credit institution may have against the beneficiary depositor, provided and to the extent that such counterclaims have become due and payable on or prior to the date on which the credit institution became unable to pay deposits pursuant to article 440 *et seq.* of the Greek Civil Code. The indemnification by the HDIGF of the beneficiaries-investors in relation to claims arising from covered investment services is payable three (3) months after delivery by the HDIGF to the Bank of Greece of the relevant resolution/list of beneficiaries, in accordance with the procedure and subject to the conditions set-out in Law 4370/2016.

Management of non-performing loans

Pursuant to Law 4224/2013 and Cabinet Act 6/2014, as replaced by Law 4389/2016 (art. 72 to 98) an intergovernmental council for the management of private debt (the "Private Debt Management Governmental Council" or the PDM Council) has been established with the following objectives:

- to define the strategy and policies in connection with the organisation of a comprehensive mechanism for the efficient management of non-performing private loans;
- to make proposals for the amendment of the existing legal framework on matters of substance and procedure to enhance the effectiveness of private debt resolution issues, including the acceleration of the procedures relating to delayed loan repayment and the improvement of the legal framework governing the real estate market and the coordination of competent bodies and authorities so as to expedite implementation of the PDM Council's proposals;
- to define actions of public awareness for the purpose of directly and efficiently informing and supporting citizens and other interested parties with respect to taking decisions on the above matters;
- to create a network providing advisory services on debt management issues, and
- to set any timetables required for the implementation of a strategic plan for the efficient management of private debt and monitor whether such timetables are respected.

Moreover, Law 4224/2013 provides that the Private Debt Management Governmental Council defines the principles related to the "cooperating borrower" and assesses, based on annual data published by the Hellenic Statistical Authority, "reasonable living expenses" which are of relevance,

among others, to the Code of Conduct issued by the Bank of Greece on the management of non-performing loans (as described below).

The Act of the Executive Committee of the Bank of Greece No. 42/30.5.2014, as amended by the Acts of the Executive Committee of the Bank of Greece No. 47/09.02.2015 and No. 102/30.08.2016 ("Decision 42/2014") determined the framework of obligations of the credit institutions in relation to the administration of loans in arrears and non-performing loans, providing for an independent unit of each credit institution for the administration of such loans, the establishment of a separate procedure for the administration thereof supported by appropriate IT systems and periodic filing of reports to the management of the credit institutions and the Bank of Greece. Further, Decision 42/2014 provided an indicative list of standard loan rescheduling models.

Decision 42/2014 was supplemented by Decision No. 116/1/25.8.2014 of the Credit and Insurance Affairs Committee of the Bank of Greece establishing a code of conduct for the management of non-performing loans, as revisited by means of Decision No. 195/1/29.07.2016 of the Credit and Insurance Affairs Committee of the Bank of Greece and Decision No. 221/17.3.2017 (the "Code of Conduct"), issued pursuant to the authorisation granted to the Bank of Greece under Law 4224/2013.

According to the general principles of the Code of Conduct, the Bank of Greece provides guidelines to the credit institutions under its supervision for designing and evaluating viable resolution arrangements. These guidelines require credit institutions to take into consideration the repayment capacity - current and future, as estimated on the basis of conservative and plausible assumptions - of each borrower, whether a natural or a legal person, in order to ensure that the resolution arrangement does not serve to conceal the true levels of risk associated with the exposures in question and thus lead to a heavier burden on the borrower and higher potential losses for the bank. Against this background, for the purposes of the Code of Conduct, the "appropriate solution" shall be considered the one which ensures the bank's compliance with supervisory requirements and, at the same time, takes due regard to the borrower's level of reasonable living expenses, where the borrower is a natural person. If, despite the fulfillment of both conditions, the parties fail to reach a mutually acceptable solution, the dispute may be resolved out of-court through competent mediating bodies or by the competent courts of law.

More specifically, the Code of Conduct describes the stages, deadlines and minimum amount of information that the credit institutions and debtors shall be mutually obliged to exchange for the purposes of accessing the benefits and effects of alternative servicing solutions of debt (Forbearance Solution) or permanent settlement (Resolution and Closure Solutions) of loans in arrears or non-performing loans, in order to find the most suitable solution for the settlement of outstanding debts. The Code of Conduct is applied by credit institutions supervised by the Bank of Greece, as well as by all financial institutions of article 4 of the CRR and by Receivables Management Companies and Receivables Acquisition Companies of Greek law 4354/2015. Furthermore, the debtors subject to the Code of Conduct may be natural persons, professionals or enterprises, regardless of their legal form.

For the purposes of the Code of Conduct's application, loans are considered as any kind of debt towards a credit institution that shall apply the Code of Conduct. The Code of Conduct applies in State guaranteed loans too subject to the consent of the State if such consent is required by the guarantee agreement. The following are exempted from the scope of the Code of Conduct: (i) claims deriving from contracts terminated before 1 January 2015; (ii) claims *vis-à-vis* debtors who have filed an application for the protection of Greek Law 3869/2010, a hearing for which has been already scheduled; and (iii) claims *vis-à-vis* debtors, against whom third party creditors have initiated judicial actions seeking the enforcement of their claims, or debtors, which are already under liquidation process.

The Code of Conduct adopts the definitions of "cooperating debtor" and "reasonable living expenses" under Law 4224/2013. A "debtor" is considered cooperating if: (i) it provides its creditor with its own

or its representative's full and up-to-date contact details; (ii) it is available to communicate with its creditor and reverts with honesty and clarity on its creditor's calls and letters within 15 business days; (iii) it notifies its creditor fully and honestly of its current economic condition within 15 business days from any change thereto or from the relevant creditor's request; (iv) it communicates fully and honestly to its creditor any information that may significantly impact its economic condition within 15 business days from the date it obtained such information; and (v) it consents to explore any alternative options for the restructuring of its debt.

The Code of Conduct requires detailed written procedures for loans in arrears by reference to categories of debtors, written procedures for the assessment of objections by a three member objections committee, appropriate personnel for the efficient handling of cases falling with the scope of the Code of Conduct, detailed written procedures for communications with debtors, standardisation of the content of communications, compliance with the guidelines of the Code of Conduct as to the manner, timing and confidentiality of communications, training arrangements for personnel, communications facilities for submission by debtors of queries, declarations, documents and supporting material, and the availability of information leaflets and other information material for the debtors (in hard copy and on an easily accessible user-friendly website page designated for loans in arrears).

Specific requirements are further included as to the procedures for loans in arrears, the procedures for the assessment of objections and the handling of "non-cooperating" debtors. Each credit or financial institution bound by the Code of Conduct must be in a position to evidence to the Bank of Greece its compliance with the requirements of the Code of Conduct.

Law 4224/2013 provides that the Consumer Ombudsman will act as mediator between lenders and borrowers for the purpose of settling non-performing loans mainly in connection with matters relating to the application of the Code of Conduct for the management of non-performing debts. The terms and procedures for the mediation performed by the Consumer Ombudsman are determined by virtue of Ministerial Decision 5921/2015.

Law 4224/2013, as amended by Law 4336/2015, provided for the creation of a Special Secretariat for the Management of Private Debt. The secretariat has been established by means of article 78 of Law 4389/2016, in order to assist the Private Debt Management Governmental Council, set policies for the provision of information and advice to debtors qualifying as consumers and coordinate the work of all competent bodies. It comprises around 30 regional centres staffed with specialised external counsels whereby debtors may obtain information and economic or legal advice.

Finally, pursuant to Law 4340/2015, which amended Law 3864/2010, the HFSF may facilitate the management of non-performing loans of credit institutions in the context of its objective to contribute to the maintenance of the stability of the Greek banking system.

Further to the above, Greek law 4354/2015, as amended and in force (the "Receivables Law") has been enacted setting out the framework for the management and the transfer of receivables from both performing and non-performing loans and credits. According to article 1 par. 1 of the Receivables Law, the management of receivables stemming from loan agreements and credits that have been granted by credit or financial institutions is only assigned to (a) *société anonymes* of a special and exclusive purpose established in Greece; and (b) entities domiciled in a Member State of the European Economic Area, provided that they have a permanent establishment in Greece through a branch with the purpose of managing claims from loans and credits.

The above entities shall obtain a special license from the Bank of Greece, subject to governance and organizational requirements imposed by the Receivables Law and shall be subject to the supervision of the Bank of Greece. These entities are further registered with special registries held with the General Commercial Registry and are governed by the provisions of the Receivables Law and the

codified law 2190/1920. Moreover, the application to the Bank of Greece for the granting of the *special license* referred to above must be accompanied with certain information including, *inter alia* (a) the articles of association of the applicant company, as amended and in force, (b) the identity of the natural or legal persons holding directly (or indirectly, namely by exercising control through intermediary legal entities), a participation percentage or voting rights equal or more than 10 per cent. of the applicant company's share capital, (c) the identity of the natural or legal persons who, although not falling under (b) above, exercise control over the company through a written agreement or otherwise or by acting jointly, (d) the identity of the members of the board of directors or management, (e) certain questionnaires filled in by the shareholders and the directors of the applicant company in order to assess their capacity and suitability for this position ('fit-and-proper' test), (f) the organisational chart and internal documented procedures of the applicant, (g) the applicant's business plan and (h) a detailed report recording thoroughly the main methods and principles ensuring the successful reorganisation of the loans.

Irrespective of the above, the Bank of Greece may request any additional information that it considers important for the assessment of the application. The shares of the applicant company shall be registered shares.

Under the Receivables Law, the transfer of claims from loan agreements and credits that have been granted by credit or financial institutions can only take place by way of sale by virtue of a relevant written agreement and only to the following entities which:

(a) are *société anonymes* that according to their articles of association may acquire claims from loans and credits, have their registered seat in Greece and are registered with the General Commercial Registry;

(b) are domiciled within the EEA, which according to their articles of association may proceed to the acquisition of claims from loans and credits, subject to the EU legislation; and

(c) are domiciled in third countries, which according to their articles of association may proceed to the acquisition of claims from loans and credits, subject to the EU legislation and have the discretion to be established in Greece through a branch, provided that: (i) their registered seat is not located in a state having a privileged tax regime, as such term is determined in the regulatory acts issued from time to time pursuant to Greek law 4172/2013, as amended and in force ("Greek Tax Income Code") and (ii) their registered seat is not located in a non-cooperative state, as such term is determined in the regulatory acts issued from time to time pursuant to the Greek Tax Income Code.

The purchase of the aforementioned receivables is valid only to the extent that a relevant management agreement has been entered into between an entity falling within one of the categories under (a), (b), or (c) above and an entity for the management of claims that has been licensed and is supervised by the Bank of Greece pursuant to the Receivables Law. The entering into a management agreement is always required for every subsequent transfer of the said receivables.

The Act of the Executive Committee of the Bank of Greece No. 118/19.5.2017, which replaced act No. 95/27.05.2016, sets out in detail the rules on the establishment and operation of companies acquiring and/or managing receivables from loans and credits under the Receivables Law. The aforesaid Act lays down in detail the procedure for the granting of licence to these companies, the prudential supervision requirements, as well as the main principles for the organisation and corporate governance of the aforementioned entities, including the data and report to be submitted to the Bank of Greece on a periodical basis, the fees to be paid to the Bank of Greece, as well as the liabilities of credit institutions which assign the management or transfer receivables under the Receivables Law.

Settlement of Amounts due by Over-Indebted Individuals

Law 3869/2010 on the “settlement of amounts due by over-indebted individuals” was enacted on 3 August 2010 and subsequently modified mainly by Laws 3996/2011, 4161/2013 and, most recently, by Law 4336/2015, Law 4346/2015 and Law 4366/2016. Law 3869/2010 allows over-indebted debtors who have unintentionally come into an evidenced state of permanent and general inability to repay their due debts to file a petition for the settlement of their due debts by arranging a partial repayment of their debts and writing off the remainder of their due debts, provided the terms of settlement are complied with. All individuals, both consumers and professionals, are subject to the provisions of Law 3869/2010, as amended and in force, provided that they do not have the capacity to be declared bankrupt under the Bankruptcy Code.

The purpose of the amendment of Law 3869/2010 by Law 4336/2015 was to make it more efficient by ensuring effective judicial protection to over-indebted individuals, while at the same time protecting creditors from abuses of the proceedings by debtors. In addition to several amendments intended to expedite and standardise the proceedings, Law 4336/2015 introduced: (a) a requirement for the debtor to act as a “cooperating borrower” both as a prerequisite to special court protection for small claims and as an ongoing general obligation throughout the proceedings; and (b) the concept of “reasonable living expenses”, which is taken into account for the determination by the court of the instalments to be paid by the debtor. Further, Law 4336/2015 introduced measures to address the large backlog of cases (e.g., by increasing the number of judges and judicial staff).

The amendments effected by Law 4346/2015, among others, lay out the conditions for: (a) the protection of the primary residence of a debtor from forced sale, and (b) the partial funding by the Greek state of the amount of monthly payments set by court decision. In addition, it is provided that the debtor's obligation to act as a cooperating borrower also applies throughout the settlement plan period. The amendments of Law 3869/2010 by virtue of Law 4346/2015 became effective as from 1 January 2016.

Law 3869/2010, prior to the amendments made by Law 4336/2015, allowed the settlement of all amounts due to credit institutions (consumer, mortgage and business loans either promptly serviced or in arrears), as well as those due to third party creditors with the exception of debts from intentional torts, administrative fines, monetary sanctions, debts from taxes, charges due to the Greek state or levies to social security funds and debts from loans granted from social security funds under the provisions of articles 15 and 16 of Law 3586/2007.

Pursuant to the amendments effected by virtue of Law 4336/2015 the ambit of the law covers all debts to private parties (but excluding ascertained debts from torts caused by wilful misconduct or gross negligence, administrative fines and monetary sanctions and debts from alimony or child maintenance) and it has been extended to also cover debts to the Greek state, tax authorities, local government organisations of first and second degree as well as social security funds, under the condition that such debts co-exist with debts owed to private parties. In addition, pursuant to the amendments of the law, the debtor may opt to include debts which at the date of filing of the petition are subject to an administrative, judicial or legal suspension or have been included in a restructuring or facilitation of partial payment which is still valid at the time of filing of the petition.

Debts must have arisen at least one year before the petition date and relief may be used only once. The procedure has three steps: (1) a discretionary pre-court mediation process; (2) an in-court settlement; and (3) a judicial re-structuring of debts.

For the purposes of these proceedings, banks must deliver a full analysis of their claims (including capital, interest expenses, as well as the interest rate), charge free, within 10 working days from the debtor’s request, and simultaneously inform the debtor of the amount that corresponds to the 10 per cent. of the last performing instalment. Similarly, according to the amendments effected by virtue of

Law 4336/2015, within the above time period, and following the submission of a relevant request by the debtor, the state, tax authorities, local government organisations of first and second degree and social security funds must provide the debtor with a full analysis of its certified debts towards such parties.

For the commencement of the judicial proceedings, the debtor must apply to the local justice of the competent magistrate's court and present evidence regarding its property and its spouse's property, income, creditors, debts, any transfer of the debtor's rights in rem over property for the three year period prior to the date of filing of the petition, a settlement proposal or a request for a total discharge of the debt (where available, in accordance with the amendment effected by Law 4336/2015). Law 4346/2015 introduced a requirement for petitions filed before its entry into force and not yet heard, obliging the debtor to submit updates of the above data; failure by the debtor to comply with that obligation constitutes a breach of the duty to make an honest disclosure.

As from the submission of the petition for settlement and until the issuance of the relevant judicial decision the debtor must pay a portion of his income to his or her creditors in monthly instalments. Specifically, the minimum amount paid by the debtor, subject to the occurrence of certain exceptional circumstances in respect of the debtor, shall not be less than 10 per cent. of the aggregate monthly instalments, the debtor had to pay to all the creditors at the day of the filing of the petition (in any case, the minimum amount to be paid to all the creditors shall not be less than €40 per month).

Until the "day of ratification" (when pre-court mediation is ratified by the court or the issuance of a temporary order is discussed) or, in the case of an application for submission in the procedure for the fast settlement of small debts, until the hearing of such a petition, the taking of any enforcement measures against the debtor in relation to claims which have been included in the petition is prohibited and the same stands for any change in the actual and legal status of the debtor's assets. A temporary order for suspension of enforcement measures may also be issued on the "day of ratification". The duration of the temporary order which may be issued on the "day of ratification" may not exceed six months. In case the hearing date for the petition has been set at a date earlier than the six-month mark, the duration of the temporary order may not exceed such hearing date.

If the settlement proposal is not accepted by the creditors, or the requirements for the substitution of consent of the creditors who do not agree are not met, the procedures for the judicial debt discharge and restructuring are activated. In that case, the court proceeds with issuing its ruling on the petition. If, after taking into consideration the particular circumstances of the case, the court rules that the debtor's property and income are inadequate, it will specify an amount that the debtor has to pay directly to all its creditors (except if the court rules otherwise), on a monthly basis for a period of three years (three to five years under the previous regime).

If the court rules that liquidation of the property of the debtor is required, it appoints a liquidator. However, it is possible for the debtor to request the exemption of its primary residence (not only in case of full ownership but also in case of bare ownership and usufruct) from the property to be liquidated. In particular, in accordance with the amendment effected by virtue of par. 1 of article 14 of Law 4346/2015 (which took effect as of 1 January 2016), it is provided that:

The debtor is entitled, until 31 December 2018, to submit to the court a liquidation proposal and a settlement plan and also to apply for the exemption of its primary residence, irrespective of whether it is encumbered or not, provided that all of the following conditions are satisfied: (a) the specific property must be used as the debtor's primary residence, (b) the monthly available family income must not exceed the amount of reasonable living expenses as determined by Law 3869/2010, increased by 70 per cent., (c) the objective value of the primary residence at the time of hearing of the petition must not exceed €180,000 for an unmarried debtor, increased by €40,000 for a married debtor and by €20,000 per child up to three children, and (d) the debtor must have acted as a cooperating borrower (within the meaning of the Code of Conduct). The debt settlement plan must

provide for payments by the debtor to the full extent of the debtor's ability to repay and the amount payable by the debtor must be set so as not to result in the creditors being placed in a worse financial position than in the case of enforcement proceedings. Decision of the Bank of Greece no. 54/15.12.2015 (Government Gazette B 2740/16.12.2015), which entered into force as of 1 January 2016, sets out the procedure and the criteria for the determination of: (a) the debtor's repayment ability and (b) the amount that the creditors would have received in case of enforcement proceedings.

Until 31 December 2018, as long as the following conditions are cumulatively met: (a) the particular property is used as primary residence of the debtor; (b) the available monthly family income does not exceed the reasonable living expenses; (c) the objective value of the primary residence at the time of the hearing of the petition does not exceed €120,000 for an unmarried debtor, increased by €40,000 for a married debtor and by €20,000 per child up to three children; (d) the debtor is a cooperating borrower (within the meaning of the Code of Conduct); and (e) the debtor is unable to pay the monthly instalments as set in the debt settlement plan, then the debtor is entitled to apply for contribution by the Greek state to the partial repayment of the monthly instalments. The debtor must pay the maximum amount allowed by reference to the debtor's repayment ability and in any case not less than the minimum contribution of the debtor. The contribution of the Greek state may not extend beyond a three-year period and is subject to the payment of the minimum contribution of the debtor. The conditions for setting the amount of contribution of the Greek state, the minimum contribution of the debtor and the procedure for the implementation of that economic support mechanism was determined by the Joint Ministerial Decision no. 130377 (Government Gazette issue B' 2723/16.12.2015). Until 31 December 2016 the State was entitled to proceed with the payment of part of the difference between the amount paid by a debtor qualifying for the Greek state contribution and the amount set by the settlement plan. In such a case the restructuring plan was treated as performing and any amount remaining so unpaid was aggregated to the amount outstanding under the remaining amount of the debt settlement plan. The terms and conditions for any payments by the Greek State in 2016 were set out in the above-mentioned Joint Ministerial Decision.

The servicing of the loan is done at an interest rate not exceeding the contractually applicable interest rate to a performing debt or the average floating interest rate for residential loans during the last month for which data is available (in accordance with the Bank of Greece bulletin) to be readjusted on the basis of the ECB refinancing interest as reference interest rate or, in case of a fixed interest rate, the average fixed interest rate for residential loans of a comparable term (again, in accordance with the Bank of Greece bulletin) and without compounding of interest. The amortisation period is determined taking into account the overall amount of the indebtedness as well as the economic ability of the debtor, and it may not exceed 20 years, unless the original loan term is longer than 20 years, in which case the court may set a longer period but in any event not more than 35 years. Creditors' claims are satisfied out of the payments by the debtor and articles 974 *et seq.* of the Greek Code of Civil Procedure apply by analogy in this respect.

In case of a sale of the property during the settlement term, if the sale price exceeds the amount of the settlement plan amount (as determined by the court decision), then half of the difference is paid to secured and preferential creditors.

Due performance by the debtor of the obligations under the settlement plan releases the debtor from any remaining unpaid balance of the claims, including claims of creditors who had not announced their claims. On application by the debtor, the court certifies such release. If the debtor delays performance of the obligations under the settlement plan for more than three months or otherwise disputes the settlement plan, the court may order cancellation of the settlement plan upon the application of any harmed creditor submitted within four months of the breach. A cancellation has the effect of restoring the claims to the amount prior to ratification of the settlement plan, subject to the deduction of any amount paid by the debtor.

The rights of creditors against co-borrowers or guarantors of the debtor as well as rights in rem of the secured creditors are not affected, unless such co-borrowers, guarantors or other beneficiaries are also subject to the same insolvency proceedings. Co-borrowers, guarantors or other beneficiaries have no rights of recourse against the debtor for any amount paid by them. The rights of secured creditors over the secured assets are not affected.

Law 4336/2015 introduced a procedure for the fast settlement of small debts. It applies to debts less than or equal to 20,000 Euros and debtors whose overall assets do not exceed 1,000 Euros. The debtor may be fully discharged of its debts following an initial supervision period of 18 months on condition that it submits information to the secretariat of the competent court, on a quarterly basis at the latest, on any change in the property or income condition of the debtor and the debtor's family.

Circular no. 1036/18.03.2016 issued by the Ministry of Finance provides further clarifications on the provisions of Law 3869/2010, as amended and in force, including details with respect to the requirements for the submission of an application related to the settlement of amounts due by over-indebted individuals.

Special Procedures for Over-Indebted Business Undertakings and Professionals

Law 4307/2014 enacted on 15 November 2014 introduced a new set of extraordinary temporary measures for the relief of debts owed by business undertakings and professionals to finance providers, the Greek state and social security funds. Law 4307/2014 (articles 60 *et seq.*) provides for:

(a) the restructuring or write-off of debts of qualifying small business undertakings and professionals by application to the relevant finance provider(s) not later than 31 March 2016, subject to certain criteria set out below;

(b) an extraordinary procedure for the ratification of an agreement with a specified majority of creditors, for the restructuring or settlement of debts, available to business undertakings (having bankruptcy capacity) by application that should have been submitted to the court of the place of the debtor's business in Greece not later than 30 September 2016 (as extended by article 56 of Law 4403/2016); no further extension of the aforementioned deadline has been passed by law; and

(c) an extraordinary procedure for the placement into special administration of business undertakings (with bankruptcy capacity) with their principal place of business in Greece.

"Finance providers" within the meaning of Law 4307/2014 are any credit institutions (including credit institutions under special liquidation), financial leasing companies and factoring companies, in each case subject to the supervision of the Bank of Greece.

In order for small businesses and professionals to qualify for the purposes of restructuring or write-off of debts under Law 4307/2014 (option (a) above):

(i) they must not have filed a petition for submission to the provisions of Law 3869/2010, or they have validly waived their respective petition until the date of submission of the application of Law 4307/2014;

(ii) they must not have been dissolved or ceased their activities;

(iii) they must not have filed a petition for submission to any procedure provided for in Law 3588/2007 or they have validly waived their respective petition;

(iv) no final judgment must have been issued against them for tax evasion or fraud offences against the Greek state or social security funds; and

(v) their turnover of the fiscal year 2013 must not exceed the limit of €2,500,000.

The eligible finance provider's claim for such restructuring or write-off has to be overdue for a period of at least 90 days or under judicial procedures or restructured, in each case as at 30 June 2014. The finance provider's claim will be considered eligible for restructuring or write-off, when the debtor either is unable to obtain tax and social security clearance owing to overdue debts or it has obtained clearance following settlement pursuant to the provisions of Law 4305/2014. Also, the amount which is due to be settled or written off cannot exceed €500,000 per financing provider. The relevant finance provider may reject the debtor's application or propose a settlement or write-off on different terms.

For the purposes of the court procedure of item (b) above, the debtor must have settled any outstanding amount owed to the tax authorities or the social security funds. The agreement with a qualifying majority of creditors representing at least 50.1 per cent. of the total indebtedness (which must include at least 50.1 per cent. of the secured indebtedness and represent at least 20 per cent of the debtor's total indebtedness) is submitted to the court of first instance in the jurisdiction of which the debtor has its registered seat and it is ratified under this procedure and is binding on all creditors; however, subject to certain requirements, creditors who did not consent to the restructuring agreement and whose receivables have decreased due to such settlement are entitled to claim damages from the debtor.

The court procedure for the placement of a debtor into special administration (item (c) above) is opened by one or more creditors (necessarily including at least one finance provider with claim(s) at least equal to 40 per cent. of the aggregate debtor's indebtedness) by petition submitted to the court of first instance of the debtor's principal place of business. The application must specify the appointed special administrator, which must have accepted its appointment. For the purposes of the special administration procedure, qualifying debtors must either: (a) be generally and permanently unable to pay their debts as they fall due; or (b) in respect of a debtor being a company limited by shares, meet the criteria for an application for dissolution of the company by court decision under article 48 paragraph 1 of Law 2190/1920 for at least two consecutive financial years.

Following the filing of a petition before the competent Court for the borrower to be placed under special administration in accordance with articles 68 *et seq.* of Greek Law 4307/2014, the Court may, upon receipt of a relevant request by any person with legal interest, order the stay of enforcement proceedings against the borrower during the period running from the date of filing of the petition until the issuance of the court decision resolving upon the placement of the borrower into special administration and the prohibition on the disposal of the debtor's immovable assets and business machinery. Further, upon the borrower being placed under special administration in accordance with article 68 *et seq.* of Greek Law 4307/2014, all enforcement proceedings against the borrower are automatically suspended throughout the relevant proceedings, i.e. for a period up to 12 months as from the issuance of the relevant court decision. The competent Court appoints an administrator with a mandate to liquidate the debtor's assets by conducting a public auction for at least 90 per cent of the accounting value of debtor's business and assets. The results of such auction are then ratified by the Court. The creditors' claims are satisfied through the proceeds of the auction. In the event that the threshold of liquidation of at least 90 per cent of the debtor's business and assets is not fulfilled attained within a period of twelve (12) months from the date of issuance of the court decision initiating the special liquidation proceeding, and regardless of any substitution of the special liquidator in this period, the proceeding is de lege and *ipso facto* terminated and the special liquidator is obligated to initiate bankruptcy proceedings against the debtor.

Out-of-court Settlement of Business Debts

Law 4469/2017 was published in the Government Gazette on 3 May 2017 introducing an out-of-court mechanism for the settlement of debts owed by a debtor to his creditors stemming from the business activity of the debtor or from any other reason, provided that the settlement is considered necessary in order to ensure the viability of the debtor.

Law 4469/2017 applies to: (i) individuals who have a bankruptcy capacity according to the Greek Bankruptcy Code; and (ii) legal entities which earn income from business activity pursuant to articles 21 and 47 of the Greek Tax Income Code and have a tax residence in Greece. The aforesaid persons may submit an application until 31 December 2018 in order to be placed under the beneficial provisions of the new law, provided that the following main conditions are met:

(a) as at 31 December 2016: (i) the debtor had outstanding debts towards financing institutions arising from loans or credits in arrears for at least ninety (90) days; or (ii) the debtor had debts settled after 1 July 2016; or (iii) the debtor had outstanding debts towards tax authorities or social security funds or other public law entities; or (iv) the issuance of bad checks by the debtor had been ascertained; or (v) payment orders or court judgments for outstanding debts had been issued against the debtor;

(b) the total debts to be settled exceed €20,000; and

(c) for debtors keeping double-entry accounting books, the debtor has a positive EBITDA or a positive equity at least in one of the three financial years preceding the submission of the application and for debtors keeping single-entry accounting books, the debtor has a positive net EBITDA at least in one of the three years preceding the submission of the application.

If other co-debtors are liable for the debts together with the debtor, they are obliged to file the application together with the debtor.

The out-of-court settlement mechanism involves, *inter alia*, the appointment of a coordinator of the procedure (selected from a registry kept with the Special Secretariat for the Management of Private Debt), who shall notify all creditors of the debtor referred to in the application within 2 days following receipt of a complete application. Within 10 days following their notification, the creditors shall inform the coordinator about their intention to participate in the process and shall declare the exact amount of the debt owed to them by the debtor.

The parties may freely decide on the terms of the debt restructuring agreement subject to certain exemptions, the most important of which are: (a) the obligation not to render the financial situation of any creditor worse than the one he/she would be in the case of liquidation of the debtor's assets in the context of an enforcement procedure pursuant to the provisions of the Code of Civil Procedure; (b) the collection by the creditors whose claims are settled in the restructuring agreement of amounts or other considerations at least equal to the amounts that they would collect in the case of liquidation of the debtor's and co-debtors' assets during an enforcement procedure pursuant to the provisions of the Code of Civil Procedure; (c) several restrictions regarding the write-off and/or settlement of the claims of the State and the social security funds. The debtor or a participating creditor may submit the debt restructuring agreement for ratification to the Multi-Member Court of First Instance of the place where the debtor has its registered seat (or residence, as the case may be). Law 4469/2017 provides for the possibility (and not the obligation) of the Settlement Agreement's judicial ratification (by means of a court ruling issued by the Multi-member court of First Instance on the basis of ex parte proceedings). The judicial ratification is required in order for the Settlement Agreement to legally bind the noncontracting creditors. The court decision ratifying the Settlement Agreement constitutes an *ex lege* enforcement title.

For a time period of 70 days following notification of the creditors to participate in the procedure, any individual and collective enforcement measures against the debtor with respect to the claims for which the out-of-court settlement is sought, as well as any interim measures against the debtor, including registration of pre-notation of mortgage, are suspended. The suspension is automatically lifted if the out-of-court settlement attempt is considered unsuccessful and as such is terminated or if a decision of the majority of creditors is taken to that respect. The same suspension applies during the time period from the submission of the debt restructuring agreement for ratification to the competent Court until the issuance of the court decision.

By joint decision of the Ministers of Finance and Development, Finance and Labour, Social Security and Social Solidarity, a simplified procedure for settlement of debts may be available to persons whose the total debts do not exceed the amount of fifty thousand (50,000) euro. The proposal for settlement as well as its assessment shall be made in a standardised manner.

Law 4469/2017 sets out the consequences and measures applicable in case of non-compliance with the Settlement Agreement. In brief, in the event of non-payment of the debtor for a time period longer than ninety (90) days, any creditor may file an annulment petition before the court. Upon annulment, all claims revive while the Settlement Agreement's annulment constitutes a refutable presumption of the debtor's cessation of payments. Whereas, a Settlement Agreement with the Greek State/Social Security Funds is automatically revoked in case of (a) non-payment (or partial payment) of three (3) instalments; (b) failure to submit the required income tax and VAT statements within three (3) months from the lapse of their submission deadline; and (c) failure to pay or settle any subsequent debt obligations born after 31.12.2016 within ninety (90) days from the enactment or the ratification of the Settlement Agreement or, in case such debt obligations became due following the enactment or the ratification of the Settlement Agreement, within sixty (60) days from the payment time due.

The law came into force on 3 August 2017 with the exception of a few provisions explicitly set out in the law which apply from the date of its publication in the Government Gazette.

Greek Legislation and Regulation Pertaining to Insolvency

The bankruptcy code was enacted by Law 3588/2007 (the "Bankruptcy Code"), amending and replacing older provisions on insolvency (both in connection with winding up and rehabilitation). The Bankruptcy Code has been amended several times, including by Laws 4446/2016, 4472/2017, 4491/2017 and most recently by Law 4512/2018. The latest amendments modified and replaced several provisions of the Bankruptcy Code, with respect to the conciliation agreement (or settlement agreement), the repeal of the provisions regarding special liquidation and the ranking of creditors.

The Bankruptcy Code only applies to business undertakings, which include sole traders, partnerships, companies and unincorporated legal entities that pursue a financial purpose and have the place of their main interests in Greece, but excluding certain regulated entities (such as credit institutions and insurance companies).

Under the Bankruptcy Code (as amended), the following insolvency proceedings are currently available for debtors meeting the insolvency criteria of the Bankruptcy Code:

(a) bankruptcy, which is regulated by articles 1-98 of the Bankruptcy Code (except for the simplified bankruptcy proceedings in respect of small debtors (provided that at least two of the following criteria are met: (1) the value of the bankruptcy estate does not exceed €150,000; (2) net turnover of at least €200,000; (3) average number of persons occupied not exceeding five, which are regulated by Articles 162-163 of the Bankruptcy Code, as replaced by article 62 of Greek Law 4472/2017, and Articles 163a–163c of the Bankruptcy Code, added through article 62 of Greek Law 4472/2017). Bankruptcy proceedings commence by a declaration of the bankruptcy by

the court on the application of any creditor, the debtor or the attorney general. Furthermore, the debtor itself is obliged to commence bankruptcy proceedings within 30 days of the date on which it became unable to repay its debts. From the declaration of bankruptcy a bankruptcy officer (*syndikos*) is appointed and is responsible for the administration of the debtor's assets for the purposes of liquidating and distributing the proceeds of liquidation to the creditors, in accordance with their respective rights of priority;

(b) a rehabilitation agreement under the Bankruptcy Code (articles 99-106(f)) between either a debtor and a qualifying majority of its creditors or between the creditors with the aim that the debtor satisfies (even partly) its creditors and remains operational following ratification of the agreement. The rehabilitation agreement proceedings are available on the application of the debtor, provided that there is evidence of an actual or foreseeable financial inability on the part of the debtor to pay its debts as they fall due in a general manner, or if the court forms the view that such financial inability is likely to occur. The court may also sustain the debtor's application if it assesses that the debtor is already in cessation of payments, provided that the debtor, at the same time, files for bankruptcy and also files an expert report. In such a case, the petition for the declaration of bankruptcy is examined by the court if the court rejects the ratification of the rehabilitation agreement. The rehabilitation agreement is ratified by a court decision and initiated following submission of an application to the competent court by (a) the insolvent debtor and provided that it has been concluded between the debtor and creditors representing 60 per cent. of claims, at least 40 per cent. of which must be of secured creditors, or (b) creditors representing 60 per cent. of claims, at least 40 per cent. of which must be of secured creditors, regarding the rehabilitation plan agreed between them and provided that the debtor is already in a status of cessation of payments. Upon ratification, the rehabilitation plan is binding upon all creditors, whose claims are regulated in such plan, including non-participating creditors (but is not binding on creditors whose claims have arisen after the decision ratifying the rehabilitation plan); and

(c) a restructuring plan under the Bankruptcy Code (articles 107-131) following its approval by the court and the creditors which may be initiated on the application to the court of:

    (i) the debtor, either at the same time as its application to be declared bankrupt or within three months from the decision declaring bankruptcy (such period may be extended by the insolvency court for an additional period not exceeding one calendar month); or

    (ii) creditors representing 60 per cent. of claims, at least 40 per cent. of which must be of secured creditors, along with the application for the declaration of bankruptcy.

Following the acceptance of the proposed restructuring plan by creditors representing at least 60 per cent. of the total claims value, including 40 per cent. of the claims of secured creditors, the plan is submitted to the competent court for ratification. Upon ratification by the court the plan is binding upon all creditors of the debtor including any dissenting and non-participating creditors. Thereafter, the bankruptcy proceedings are terminated and, unless otherwise provided in the restructuring plan, the debtor resumes administration of its business with a view to fulfilling the terms of the restructuring plan.

Bankruptcy is a liquidation proceeding, whereas rehabilitation agreements (also available pre-bankruptcy in the case of a foreseeable inability to pay debts as they fall due) and restructuring plans (only available after declaration of bankruptcy) are rehabilitation proceedings.

The Bankruptcy Code includes detailed provisions on each of the above insolvency proceedings and the requirements that need to be met in respect of each proceeding, including the rights of creditors thereunder.

The amendments of the Bankruptcy Code by Law 4336/2015 and Law 4446/2016 include provisions intended to make these proceedings more expedient and efficient, including by setting stricter timeframes for completion of various stages of these proceedings and by strengthening documentary and expert evidence requirements in connection with the rehabilitation prospects and to protect against abuses of the proceedings.

A most significant change introduced by Law 4336/2015 concerns the insolvency practitioners ("*diaxeiristes afereggyotitas*" in Greek). Commencing from 1 January 2016, the functions of a bankruptcy officer ("syndikos" in Greek), mediator, representative of creditors or liquidator (as the case may be under the Bankruptcy Code, depending on the type of proceedings) may be carried on by an individual or legal entity registered in a special register and qualified to act as insolvency practitioner. Presidential Decree No. 133 (Government Gazette A'242/29.12.2016) was issued on recommendation of the Minister of Economy and Development and the Minister of Justice, Transparency and Human Rights providing for the necessary formal and substantive qualifications of insolvency practitioners, their appointment and termination of appointment, their powers and duties and their supervision and liability.

Law 4472/2017 introduced changes to the provisions regarding the bankruptcy proceedings in respect of small debtors and Law 4512/2018, amongst others, introduced certain changes in the distributional priorities (before and) after insolvency for claims arising after 17 January 2018 (see below Regulation and Supervision of Banks in the Hellenic Republic - "Distributional priorities before and after insolvency").

Distributional priorities before and after insolvency

The Bankruptcy Code, the Code of Civil Procedure (or CCP) and the Code for the Collection of Public Revenues include specific provisions on the priority of claims of creditors and distinguish between: (1) claims with a general privilege (a general privilege applies by operation of law and concerns, among others, claims on account of VAT and other taxes, claims of public law entities, claims of employees and social security funds and, under the Bankruptcy Code, also concerns credit facilities granted as rescue funding after the opening of insolvency proceedings); (2) claims with a special privilege (which include those of secured creditors); and (3) unsecured claims.

The opening of insolvency proceedings does not affect the priority ranking of validly created security (claims of item (2) above) and secured creditors (as opposed to unsecured creditors) can initiate individual enforcement proceedings for their secured claim following the opening of insolvency proceedings against the debtor (provided that, depending on the type and stage of the insolvency proceedings, a stay may be imposed in accordance with the Bankruptcy Code).

The distinction between claims with a general privilege, claims with a special privilege and unsecured claims is critical in the context of distribution of the proceeds of liquidation of the assets over which security has been created. Claims with a general or special privilege are satisfied in priority over unsecured claims.

As Greek law now stands in relation to enforcement proceedings initiated before 1 January 2016 and bankruptcies declared before 1 January 2016, if claims with a general privilege co-exist with claims

with a special privilege, claims with a general privilege are entitled to up to one-third of the proceeds of liquidation, provided that certain claims with a general privilege (claims on account of VAT and claims of employees and social security funds) have absolute priority over all other claims without being restricted to one-third of the proceeds of liquidation. Unsecured claims will only be satisfied pro rata out of any remainder of the proceeds of liquidation of the insolvency estate, following satisfaction of all claims with a general or special privilege.

However, following the amendment of the provisions of the Code of Civil Procedure by Law 4335/2015 and the amendment of the Bankruptcy Code by Laws 4336/2015, 4446/2016 and 4512/2018 on the ranking of creditors in enforcement and insolvency proceedings respectively, the aforementioned absolute priority of the above generally privileged claims does not apply for enforcement proceedings initiated after 1 January 2016 and bankruptcies declared after 1 January 2016. This will benefit secured creditors and also unsecured creditors. The latter arel also be entitled to a specific percentage of the enforcement proceeds, depending on whether generally privileged claims and secured claims co-exist with unsecured claims or not.

In particular, (a) in case of concurrence of creditors' claims of general privilege, claims of special privilege and of non-privileged claims, creditors enjoying one or more general privileges are allocated 25 per cent. of the auction/liquidation proceeds, creditors enjoying one or more special privileges are allocated 65 per cent. of such proceeds, whereas the remaining 10 per cent. of the auction/liquidation proceeds is allocated to non-privileged creditors; (b) in case of concurrence of special privileges claims and non-privileged ones, an amount of 90 per cent. of the proceeds is allocated for the repayment of creditors enjoying special privileges, while the remaining 10 per cent. of the auction/liquidation proceeds is allocated to the non-privileged creditors; (c) in case of concurrence of general privileges and non-privileged ones, an amount of 70 per cent. of the proceeds is allocated for the repayment of creditors enjoying general privileges, while the remaining 30 per cent. of the auction/liquidation proceeds is allocated to the non-privileged creditors; and (d) in case of concurrence of general privileges and special privileges, the general privileges will be satisfied up to one-third of the auction proceeds, whereas the special privileges may be satisfied up to two-thirds of the auction proceeds. In the event of insolvency proceedings, the claims arising from financing of any kind to the debtor aimed at ensuring the continuance of the operations of its business and payment of its obligations, subject to the conditions of art. 154(a) of the Bankruptcy Code, have a general privilege and an absolute priority over all other claims in the case of (a) and (c) above and the respective distributional percentages apply after full discharge of such claims.

The general privileges under article 975 of the Code of Civil Procedure follow the ranking order set out below (the general privileges):

(i) Medical and funeral expenses of the debtor and his family that arose within the last twelve (12) months prior to the day of the public auction or the declaration of bankruptcy and compensation claims (except claims for moral damages) due to disability exceeding eighty percent (80 per cent.) or more that arose until the day of the public auction or the declaration of bankruptcy.

(ii) Claims for the nutrition of debtor and his family that arose during the last six months before the day of the public auction or the declaration of bankruptcy.

(iii) Claims based on salaried employment, claims from fees, expenses and compensation of lawyers paid under fixed regular remuneration, provided that they arose within the last two years prior to the day of the first public auction or the declaration of bankruptcy, compensation claims arising by reason of termination of employment arrangements and lawyers' compensation claims arising by reason of the termination of in-house employment arrangement. The same rank also includes claims of the State arising out of the Value Added Tax (VAT) and any attributable or withholding taxes together with any increments and

interests imposed on such claims, as well as claims of social security organisations, alimony claims in case of death of the person owing such alimony and compensation claims due to disability exceeding sixty seven percent (67 per cent.) which arose up to the day of the public auction or the declaration of bankruptcy.

(iv) Claims of farmers or agricultural cooperatives from the sale of agricultural products that arose within the last year prior to the day the public auction was first set to occur or the declaration of bankruptcy.

(v) Claims of the State and municipal authorities arising out of any cause, together with any increments and interest imposed on such claims.

(vi) Claims of the Athens Stock Exchange Members' Guarantee Fund (Syneggyitiko) against the debtor, insofar as such debtor is or was an investment services firm and the claims of such fund were born within the two (2) years preceding the day of the public auction or the declaration of bankruptcy.

More recently, Law 4512/2018 (articles 176 and 177) introduced certain changes in the ranking order of creditors in enforcement proceedings (new articles 977A of the Code of Civil Procedure and 156A of the Bankruptcy Code). In particular, under article 977A of the CCP, in respect of any new claims arising after 17 January 2018 and which are secured by a pledge or mortgage over an asset which was not previously encumbered, the auction proceeds will be allocated, after deduction of the enforcement expenses as follows:

(i) Claims of employees for salaries of up to six months, owed on the basis of salaried employment and arisen prior to the scheduled date of the first auction, capped, per employee and per month, at the amount of the minimum monthly statutory salary for employees above 25 years old multiplied by 275 per cent. (super privilege);

(ii) Claims enjoying special privileges (i.e. secured by pledge or mortgage);

(iii) Claims enjoying general privileges (as per above); and

(iv) Claims of non privileged creditors.

The ranking of creditors in insolvency proceedings under the new article 156A of the Bankruptcy Code apply in respect of any new claims arising after such provisions enter into force (i.e. on 17-01-2018) and which are secured by a pledge or mortgage over an asset which was not previously encumbered (both conditions need to apply cumulatively); in such case, the auction proceeds will be allocated, after deduction of the insolvency expenses as follows:

(i) claims enjoying super privilege, as per above under (1);

(ii) claims arising from financing of any kind to the debtor aimed at ensuring the continuance of the operations of its business and payment of its obligations, subject to the conditions of art. 154(a) of the Bankruptcy Code;

(iii) claims enjoying special privileges under art. 155 paragraph 1(a) and (b) (including those secured by pledge or mortgage);

(iv) (remaining) claims enjoying general privileges as per art.154 of the Bankruptcy Code and (remaining) claims enjoying special privileges; and

(v) Claims of non-privileged debtors.

Laws 4335/2015, 4336/2015, 4446/2016 and 4512/2018 introduced changes in the provisions on the distributional priorities, as well as extensive procedural changes, intended to standardise and expedite court and enforcement proceedings before and after insolvency, and to protect against abuses of the proceedings.

Interest Rates

Under Greek law, interest rates applicable to bank loans and bank credit in general are not subject to a legal maximum, but they must comply with certain requirements intended to ensure clarity and transparency, including with regard to their readjustments. Specifically, the Bank of Greece Governor's Act No. 2501/2002 and Decision No. 178/2004 of the Banking and Credit Committee of the Bank of Greece, as amended by Decision No. 234/2006, provide that credit institutions operating in Greece should determine their interest rates in the context of the open market and free competition rules, taking into consideration the risks undertaken on a case-by-case basis, as well as potential changes in the financial conditions and data and information specifically provided by parties for this purpose.

Limitations apply to the compounding of interest under Greek law. In particular, the compounding of interest with respect to bank loans and credits only applies if the relevant agreement so provides and is subject to limitations that apply under article 12 of Law 2601/1998, article 30 of Law 2789/2000 and article 39 of Law 3259/2004. Greek credit institutions must also apply article 150 of Law 4261/2014 on interest rates of loans and other credits. Pursuant to article 150 of Law 4261/2014, credit institutions are precluded from accounting for interest income from loans which are overdue for more than a three-month period or a six-month period in case of loans fully secured by real estate which are made to individuals.

Default interest may not exceed the aggregate of annual, contractual interest plus a maximum percentage determined by the Bank of Greece, currently 2.5 per cent. over and above the normally applicable interest rate.

Secured Lending

Greek credit institutions are permitted to grant customers loans and credit that are secured by real estate, movable assets and receivables of the debtor (including cash).

The provisions of Legislative Decree 17.7/13.08.1923 regulate issues regarding the granting of loans secured by in rem rights and Law 3301/2004 regulates issues regarding financial collateral arrangements.

Mortgage lending is extended mostly on the basis of mortgage pre-notations, which are less expensive and easier to record than mortgages and may be converted into full mortgages within 90 days from the final (non appealable) court judgment.

European Directive 2014/17 on credit agreements for consumers relating to residential immovable property lays down a common framework for certain aspects of the laws, regulations and administrative provisions of the EU Member States concerning agreements covering credit for consumers secured by a mortgage or otherwise relating to residential immovable property, including an obligation to carry out a creditworthiness assessment before granting a credit, as a basis for the development of effective underwriting standards in relation to residential immovable property in the EU Member States, and for certain prudential and supervisory requirements, including for the establishment and supervision of credit intermediaries, appointed representatives and non-credit institutions. Greece transposed Directive 2014/17 into national legislation by means of Law 4438/2016 (Government Gazette, issue A' 220/28.11.2016).

Restrictions on Enforcement of Granted Collateral

According to Law 3814/2010, the forced auctions initiated either by credit institutions or by companies providing credit or by their assignees to satisfy claims not exceeding €200,000 were suspended initially until and including 30 June 2010 and subsequently until 31 December 2013.

Moreover, according to article 2 of Law 4224/2013, from 1 January 2014 until 31 December 2014 enforcement of auctions concerning the primary residence declared as such in the debtor's last income tax return were suspended provided that the real estate's objective value did not exceed €200,000, and that the following criteria were met; (a) the debtor's family annual declared income excluding social security contributions, income tax and the one-off solidarity contributions was equal to or lower than €35,000; (b) the total value of the debtor's assets and property did not exceed €270,000 and; (c) the total value of the debtor's deposits and investments in securities in Greece and abroad as at 20 November 2013 did not exceed €15,000, excluding any periodic payments under pension and insurance plans. Those properties that did not meet the criteria of the above law were no longer protected from foreclosure and auction proceedings. During the aforementioned suspensions, debtors were obliged to pay monthly instalments. Nevertheless, in exceptional cases (e.g., debtors with no income) debtors could be exempted from payment. The Hellenic Bank Association announced on 21 July 2015 that banks operating in Greece will continue until the end of 2015, to provide protection of primary residence to borrowers under the provisions of Greek Law 4224/2013. The aforementioned period expired, as well as the restriction on enforcement proceedings imposed following the imposition of capital controls regime from 14 July 2015 until 31 October 2015, and as of January 2016, restrictions on enforcement may apply in relation to the primary residence of debtors who have been placed under the protective regime of Law 3869/2010, as amended and in force (see "*Settlement of Amounts due by over-indebted individuals*" above), while as of 21 February 2018 the auctions have been performed exclusively electronically according to article 208 of Law 4512/2018.

MiFID - MiFID II – MiFIR – Market Abuse Regulation

MiFID, the EU Council Directive 2006/73 and Council Regulation 1287/2006 were transposed in Greece by Law 3606/2007 and subsequent decisions of the Hellenic Capital Market Commission ("HCMC") as well as Bank of Greece Governor's Acts. Relevant provisions introduced significant changes with a view to improving the legal framework of investment services: investment services providers were required to categorise their clients as per the client's risk profile, offer increased transparency on fees and expenses charged to said clients, ensure timely and duly forwarding of clients' orders concerning transactions on the ATHEX, and locate and prevent conflicts of interest and other relevant matters.

MiFID II and MiFIR were issued on 15 May 2014. The application date of MiFID II and MiFIR, initially scheduled for 3 January 2017, was extended to 3 January 2018. The new framework aims to make financial markets more efficient, resilient and transparent. It introduces rules on high frequency trading, improves the transparency and oversight of financial markets, including derivatives markets, and addresses the issue of excessive price volatility in commodity derivatives markets. Furthermore, it expands supervision to all financial instruments admitted to trading, over-the-counter transactions and trading venues. Building on the rules already in place, MiFID II also strengthens the protection of investors by introducing robust organisational and conduct requirements or by strengthening the role of management bodies. The new framework also increases the role and supervisory powers of regulators and establishes powers to prohibit or restrict the marketing and distribution of certain products in well-defined circumstances.

MiFID II has been transposed into Greek law by virtue of Law 4514/2018.

With effect from 3 July 2016, the EU Market Abuse Regulation (Regulation (EU) No 596/2014) ("MAR"), replaced the existing EU Market Abuse Directive (Directive 2003/6/EC) and the various laws of the EU Member States implementing it. As an EU Regulation, MAR is both directly applicable and directly effective meaning that MAR will form part of the domestic law of EU Member States without any need for further implementation or transposition. MAR sets out various requirements and rules with respect to market abuse, including market manipulation, insider dealing and the unlawful disclosure of inside information. It also sets out various additional related requirements with respect to matters such as market soundings, suspicious transaction and order reporting and the provision of investment recommendations.

MAR itself sets out a number of administrative sanctions for breaches of its provisions, including, for example, fines of up to EUR 15,000,000 or 15 per cent. of total annual turnover for legal persons and up to EUR 5,000,000 for natural persons who breach the prohibitions against market manipulation and insider dealing.

Whilst many of the delegated regulatory standards under MAR have come into effect at the same time as MAR, other delegated standards and guidelines are yet to be finalised and these are expected to be published.

The European Market Infrastructure Regulation

On 16 August 2012, Regulation (EU) No 648/2012 ("EMIR") came into force. EMIR introduces certain requirements in respect of derivative contracts, which apply to financial counterparties ("FCs"), such as investment firms, credit institutions, insurance companies, amongst others, and non-financial counterparties which are entities established in the EU that are not FCs. Eurobank is classified as an FC under EMIR. Broadly, EMIR's requirements in respect of derivative contracts, as they apply to FCs, are: (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation through an authorised or recognised CCP; (ii) the implementation of risk mitigation techniques in respect of uncleared OTC derivative contracts such as mandatory margining requirements, timely confirmation, portfolio reconciliation and compression and dispute resolution to any uncleared OTC derivatives contracts which it enters into; and (iii) reporting and record-keeping requirements in respect of all derivative contracts, in particular reporting of certain information about the derivative contracts which it enters into, modifies or terminates, to a trade repository registered or recognised under EMIR and record-keeping of any derivative contracts it has concluded and any modification thereto for at least five years following the termination of the contract.

Eurobank has taken measures to comply with the EMIR requirements that are currently in force.

Payment Services and Single Euro Payments Area

Payment Services

Greece has transposed Directive 2007/64/EC on payment services, also known as the Payment Services Directive (the "PSD") pursuant to Law 3862/2010, requiring every payment service provider, such as the Bank, to ensure in an accessible form a minimum level of information and transparency regarding the provided payment services, under the terms and conditions set forth in such law. Law 3862/2010 also provides further protection regarding the rights of the users of the payment services, while it only applies where both the payer's payment service provider and the payee's payment service provider are located in the EU, with the exception of the provision regarding the value date of the transaction.

On 24 July 2013, the European Commission published a proposal for a directive of the European Parliament and of the Council "on payment services in the internal market and amending Directives 2002/65/EC, 2013/36/EU and 2009/110/EC and repealing Directive 2007/64/EC", which intended to

incorporate and repeal the PSD. On 23 December 2015, the Directive 2015/2366/EU (the "PSD2") was published in the Official Journal of the European Union. The PSD2 is expected to improve the functioning of the internal market for payment services and more broadly for all goods and services given the need for innovative, efficient and secure means of payments. The PSD2 entered into force on 12 January 2016 and EU Member States are required to transpose the same into national law by 13 January 2018. The PSD is repealed with effect from 13 January 2018.

On 24 July 2013, the European Commission also published a proposal for a Regulation on interchange fees for card-based payment transactions which led to the adoption on 29 April 2015 of Regulation EU 2015/751 of the European Parliament and of the Council on interchange fees for card-based payment transactions.

PSD2 has been transposed into national legislation by Law 4537/2018 (GG A' 84/15.05.2018).

Single Euro Payments Area ("SEPA")

Regulation EC 2560/2001 on cross-border payments in euro laid the foundations of the SEPA policy by establishing the principle that banks are not permitted to impose different charges for domestic and cross-border payments or automated teller machine (ATM) withdrawals within the EU. After the publication of PSD and prior to the issuance of Law 3862/2010, Regulation 924/2009/EC on cross-border payments in the European Community (which repealed Regulation 2560/2001/EC) entered into force on 1 November 2009, introduced additional provisions, which further promoted EU financial integration in general and SEPA implementation in particular, and reduced significantly the charges payable by consumers and other payment service users for regulated payment services, such as credit transfers, direct debits, cash withdrawals and money remittance. Regulation 924/2009/EC applies to payments in euro in all EU member States.

Regulation 924/2009/EC has been amended by Regulation 260/2012/EU, which is also known as the SEPA (migration) Regulation. The SEPA Regulation established technical and business requirements for credit transfers and direct debits in euro. According to its transitional provisions, credit transfers and direct debits shall be carried out in accordance with the relevant requirements set out in it by 1 February 2014, subject to certain limited exemptions mentioned in such regulation. Regulation 248/2014 amended the SEPA Regulation and introduced a transition period of six months – until 1 August 2014 – to ensure minimal disruption for consumers and businesses; Member States apply the rules on the penalties applicable to infringements of the articles of the SEPA Regulation from 2 August 2014. In non-euro countries, the provisions of the SEPA Regulation became effective as of 31 October 2016. Effectively, this means that as at these dates, existing national euro credit transfer and direct debit schemes were replaced by SEPA Credit transfer and SEPA Direct Debit schemes, which comply with the technical requirements detailed in the SEPA Regulation. The currency of the funds exchanged through such schemes is also euro.

Full compliance with the SEPA Regulation is expected to lead to more streamlined internal processes, lower IT costs, reduced costs based on bank charges, a consolidated number of bank accounts and cash management systems, and more efficiency and integration of any organisation's payment business.

On 24 November 2016, the European Payments Council (the "EPC") published version 3 of the SEPA Credit Transfer (the "SCT") and SEPA Direct Debit (the "SDD") clarification paper, which addressed operational aspects related to the SCT and SDD schemes. The paper sought to ensure consistent implementation of the SCT and SDD rulebooks by payment services providers participating in the schemes. The paper provided guidance and, where feasible, recommendations to scheme participants on how to handle situations that are not described in the rulebooks and it applies only to the sets of SEPA scheme rulebooks that are effective until 19 November 2017.

On 19 November 2017, the 2017 SEPA Credit Transfer (SCT) rulebook version 1.1 took effect, although the SCT inquiry procedures will only enter into force as of 17 November 2019. Based on such rulebook version the SCT Scheme Interbank Implementation Guidelines 2017 were issued, setting out the SEPA rules for implementing the interbank ISO 20022 XML message standards. An updated version of such guidelines (2017 v1.1) was published on 14 November 2017 and will become effective as from 18 November 2018.

Finally, the European Payments Council is expected to publish the Mobile Contactless SEPA Card Payments Implementation Interoperability Guidelines, following the end of the relevant public consultation period on 26 January 2018.

Consumer Protection

Credit institutions in Greece are also subject to legislation that seeks to protect consumers from abusive terms and conditions, most notably Law 2251/1994, as in force. Such legislation sets forth rules on the marketing and advertisement of consumer financial services, prohibits unfair and misleading commercial practices and includes penalties for violations of such rules and prohibitions. Law 2251/1994 has been significantly amended by Law 4512/2018 and codified by Ministerial Decision no. 5338/2018. The relevant amendments, including, amongst others, in the definition of consumer (which may only include natural persons), the protection afforded to very small businesses and in the framework related to e-commerce, took on 17 March 2018.

At the same time, numerous consumer protection issues are regulated through administrative acts, such as Decision No. Z1-798/2008 of the Minister of Development on the prohibition of general terms which have been found to be abusive by final court decisions (as amended by Decisions Z1-21/2011 and Z1-74/2011 of the Deputy Minister of Labor and Social Insurance). Also, the Governor of the Bank of Greece Act No. 2501/2002, as amended and supplemented, includes certain disclosure obligations relating to the provision of banking services by credit institutions.

Joint Ministerial Decision Z1-699/2010 transposed into Greek law Directive 2008/48/EC of the European Parliament and of the Council on credit agreements for consumers and repealing Council Directive 87/102/EEC, as amended and in force. Joint Ministerial Decision Z1-699/2010 provides for increased consumer protection in the context of consumer credit transactions and prescribes, among others, the inclusion of standard information in advertising and the provision of pre-contractual and contractual information to consumers.

Joint Ministerial Decision Z1-699/2010 has been amended by Joint Ministerial Decision Z1-111/2012, which, among others, transposed into Greek law Directive 2011/90/EU as of 1 January 2013 and introduced additional criteria for the calculation of the real total annual interest rate.

In 2013, Greece also transposed Directive 2011/83/EU on consumer protection pursuant to Joint Ministerial Decision Z1-891/2013, which amended Law 2251/1994 in many respects. Such decision, as amended and supplemented by Ministerial Decision 27764/2014, entered into force on 13 June 2014 and applies to consumer contracts entered into after that date.

In addition, Ministerial Decision 56885/2014 set a code of conduct for the protection of consumers during sales, offer periods and promotional actions while Joint Ministerial Decision 70330/2015 transposed into Greek law Directive 2013/11/EU on alternative dispute resolution for consumer disputes and introduced supplementary measures for the application of Regulation EU 524/2013 on online dispute resolution for consumer disputes.

Finally, Ministerial Decision 5921/2015 (which entered into force on 19 January 2015) sets out the terms and the procedure for mediation of the consumer ombudsmen between credit institutions and debtors pursuant to the provisions of the Code of Conduct.

Finally, Presidential Decree No. 10/2017 introduced the "Code of Consumer Conduct" and set the principles to be applied to trade and the trading relations between suppliers and consumers and their associations and Ministerial Decision 31619/2017 introduced the “Code of Consumer Conduct for E-Commerce”.

EU General Data Protection Regulation

Regulation (EU) No. 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (also known as the EU General Data Protection Regulation or the “GDPR”) represents a new legal framework for the data protection in the EU. It will directly apply in all EU member states from 25 May 2018 and will replace the current EU and Greek data privacy laws. Although a number of basic existing principles will remain the same, the GDPR introduces new obligations on data controllers and enhanced rights for data subjects.

The GDPR applies to organisations located within the EU but it also extends to organisations located outside of the EU if they offer goods and/or services to EU data subjects. Regulators have unprecedented power to impose administrative fines and penalties for a breach of obligations under the GDPR, including fines for serious breaches of up to 4 per cent. of the total worldwide annual turnover of the preceding financial year or €20 million and fines of up to 2 per cent. of the total worldwide annual turnover of the preceding financial year or €10 million for other specified infringements. The GDPR identifies a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement).

In Greece, there is still no guidance as to how the Hellenic Data Protection Authority will enforce the GDPR. However, the Bank has taken measures to comply with the GDPR requirements.

Prohibition of Money Laundering and Terrorist Financing

Greece, as a member of the Financial Action Task Force (“FATF”) and as a Member State of the EU, fully complies with FATF recommendations and the relevant EU legal framework. Directive 2005/60/EC of the European Parliament and of the Council and Commission and Directive 2006/70/EC were transposed into Greek law by virtue of Law 3691/2008, as in force. Moreover, the International Convention for the Suppression of the Financing of Terrorism was ratified pursuant to Law 3034/2002.

In 2012, the FATF recommendations were revised to strengthen the requirements for higher risk situations, and to allow financial institutions to take a more focused approach in areas where high risks remain or implementation could be enhanced. According to the recommendations, banks should first identify, assess and understand the risks of money laundering and terrorist finance, and then adopt appropriate measures to mitigate the risk. The risk-based approach allows them, within the framework of the FATF requirements, to adopt a more flexible set of measures, in order to target their resources more effectively and apply preventive measures that are commensurate to the nature of risks, in order to focus their efforts in the most effective way.

In view of the above, the Bank of Greece issued Governor’s Act 2652/29.2.2012 and Decision 94/23/15.11.2013 of the Credit and Insurance Affairs Committee amending Decision 281/5/2009, as well as Decision 95/10/22.11.2013 and 108/4.4.2014 amending Bank of Greece Governor’s Act 2651/2012, which further strengthen the regulatory framework within which the supervised entities in Greece operate. The amendments mainly harmonise the applicable regulations to the revised FATF recommendations. In particular, the amendments introduce criteria for high risk customers as well as the use of simplified due diligence for electronic money transactions. They also impose additional obligations for suspicious transactions reporting to the supervised banks, pertaining to the cross-border transfer of funds as well as data on high-risk banking products and customers.

Furthermore, the Bank of Greece has issued a number of enabling acts which reflect the obligations imposed by the European Regulation 1781/2006 "on information on the payer accompanying transfers of funds".

On 20 May 2015, the European Parliament and the Council adopted (i) Directive 2015/849/EU (required to be transposed into national law on or before 26 June 2017) on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation EU No. 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC and (ii) Regulation EU 2015/847 (which will come into force on 26 June 2017) on information accompanying transfers of funds and repealing Regulation EC No 1781/2006. In view of that, the relevant provisions of Greek law mentioned above will need to be amended or replaced in the future accordingly to be in line with the recently adopted European legislation.

On 5 July 2016, the European Commission published a proposal for a Directive of the European Parliament and of the Council amending Directive 2015/849/EU. This proposal sets out a series of measures to better counter the financing of terrorism and to ensure increased transparency of financial transactions and of corporate entities under the preventive legal framework in place. On 19 December 2017, a proposal for a Directive of the European Parliament and of the Council amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directive 2009/101/EC was submitted to the Permanent Representatives Committee of the Council of the EU.

Finally, the Group has put in processes to procure compliance with the "USA PATRIOT Act" of 2001, as in force, which includes provisions relating to banks and financial institutions with respect to money laundering worldwide.

Other Laws and Regulations Governing Banks in Greece

The Hellenic Republic Bank Support Plan

The Hellenic Republic Bank Support Plan comprised the following three pillars, each of which is summarised below:

Pillar I: Up to €5 billion in non-dilutive capital designed to increase Tier I ratios. The capital takes the form of preference shares with a 10 per cent. fixed return. The fixed return is payable in any case, unless either article 44a of Law 2190/1920 applies or payment of the relevant amount would result in the reduction of the Core Tier I capital of the participating bank below the prescribed minimum level. The issue price of the preference shares must be the nominal value of the common shares of the last issue of each participating bank. The preference shares are redeemable at their issue price either within five years from the date of their issue or, at the election of a participating bank, earlier with the approval of the Bank of Greece, against Greek Government bonds of equal value or cash of equal value. At the time the preference shares are redeemed for Greek Government bonds, the nominal value of the bonds must be equal to the initial nominal value of the bonds used for the subscription of the preference shares. Moreover, the bonds should mature on the redemption date of the preference shares or within a period of up to three months from such date. In addition, on the redemption date of the preference shares, the market price of the Greek Government bonds should be equal to their nominal value. If this is not the case, then any difference between their market value and their nominal value shall be settled by payment in cash between the participating bank and the Hellenic Republic. On the date of redemption, the fixed dividend return of 10 per cent. will also be paid to the Hellenic Republic. In case they are not redeemed within five years from their issue or no decision has been adopted by the participating bank's general meeting of shareholders on redemption, the Minister of Finance shall impose, pursuant to a recommendation by the Bank of Greece, a cumulative increase of 2 per cent. per year on the 10 per cent. fixed return. Pursuant to a decision by the

Minister of Finance, following a recommendation by the Governor of the Bank of Greece, the participating banks will be required to convert the preference shares into ordinary shares or another existing class of shares if redemption is not possible due to noncompliance by the participating bank with the minimum capital adequacy requirements set by the Bank of Greece. The conversion ratio will be determined by virtue of the above decision of the Minister of Finance and will take into account the average market price of the participating bank's ordinary shares during the calendar year preceding such conversion.

Furthermore, pursuant to the recent amendment of article 1 of Law 3723/2008 by the provisions of article 80 of Law 4484/2017 (Government Gazette A' 110, 1 August 2017), the redemption of the preference shares in whole or in part is allowed, in consideration for cash or Tier II capital instruments as defined in Regulation (EU) 575/2013, or a combination thereof, after the expiration of the five-year period and irrespective of the reasons referred to in article 1 par. 1 of Law 3723/2008, subject to the receipt of the supervisory authority's consent and provided that in case of issuance of Tier II capital instruments the following conditions are satisfied:

a) their nominal value should be calculated on the basis of the initial offer price of the preference shares;

b) their features should satisfy the conditions of Regulation (EU) 575/2013 applicable to Tier II instruments, and especially article 63 thereof,

c) they have a maturity of ten years and the issuer has an option, exercisable solely at the issuer's sole discretion, to call or redeem or repurchase or early repay the instruments after five years from their issuance with the approval of the regulatory authority;

d) they may be early repaid prior to five years from their issue date subject to approval by the regulatory authority and provided a tax event or a regulatory event, as defined in article 78 par. 4 of Regulation 575/2013, has occurred;

e) their repayment after five years from their issue date and until maturity, as well as in the circumstances contemplated in (d) above, shall be made at their nominal value;

f) upon redemption or early repayment of the instruments, accrued interest thereon in respect of the relevant interest period shall always be payable;

g) their nominal interest rate (coupon) shall be fixed and interest shall be payable semi-annually at the last day of the sixth and twelfth month each year. In relation to the first payment, the interest rate is calculated by reference to the time period remaining until the end of the earlier of any of the above dates, if it is less than six (6) months;

h) the interest rate is calculated on the basis of the average yield of the 10-year reference bond of the Hellenic Republic at the first fifteen (15) days of June 2017 plus fifty (50) basis points and cannot be lower than 6 per cent.; and

i) they will be freely transferable and may be listed on a regulated market.

The request to redeem the preference shares in accordance with the above-mentioned conditions is submitted to the Minister of Finance, who issues a relevant decision in compliance with the E.U. state-aid rules. If the redemption is made through an exchange with Tier II capital instruments, an agreement signed between the Minister of Finance and the relevant participating bank is entered into to provide for, among others, the specific terms of such instruments, and any other detail relevant to the above transaction. Pillar I ceased to apply as of 1 January 2014.

Pillar II: Up to €85 billion in Hellenic Republic guarantees. These guarantees are in respect of new borrowings by all participating banks (excluding interbank borrowings) concluded through 31 May 2018 (whether in the form of debt instruments or otherwise) and with a maturity ranging from three months to three years. These guarantees are granted to participating banks that meet the minimum capital adequacy requirements set by the Bank of Greece as well as criteria set out in Decision 54201/B2884/2008 of the Minister of Finance regarding capital adequacy, market share size and the maturity of liabilities and share of the mortgage and SME lending market. The terms under which guarantees are granted to participating banks are included in Decisions 2/5121/2009, 29850/B1465/2010 and 5209/B237/2012 of the Minister of Finance.

Pillar III: Up to €8 billion in debt instruments. These debt instruments have maturities of less than three years and were issuable by the Greek Public Debt Management Agency (the "PDMA") until 30 June 2015 to participating banks meeting the minimum capital adequacy requirements set by the Bank of Greece. The debt instruments bear no interest and were issued at their nominal value in denominations of €1 million. They were issued by virtue of a bilateral agreement executed between the participating bank and the PDMA. At the applicable termination date of the bilateral agreement (irrespective of the maturity date of the debt instruments) or at the date Law 3723/2008 ceases to apply to a bank, the debt instruments must be repaid. The participating banks must use the debt instruments received only as collateral for refinancing, in connection with fixed facilities from the ECB, and/or for purposes of interbank financing. The proceeds of liquidation of such instruments must be used to finance mortgage loans and loans to SMEs on competitive terms.

Law 3723/2008, as in force, provides for the appointment of a director designated by the Greek state in those of the participating banks that have used and continue to use either the capital (Pillar I) or guarantee (Pillar II) facilities. Such director has veto power over certain corporate decisions at the board level pertaining to directors and senior management compensation and dividend policy, as well as regarding matters of strategic importance or which may materially change the financial and legal standing and require approval by the general meeting of the participating banks' shareholders. This director, however, may only use his or her veto power following a decision of the Minister of Finance or if he or she considers that the relevant corporate decisions may jeopardise the interests of depositors or materially affect the solvency and orderly operation of the participating bank. In addition, participating banks are required to limit maximum executive compensation to that of the Governor of the Bank of Greece, and must not pay bonuses to senior management as long as they participate in the Hellenic Republic Bank Support Plan. Also, during that period, dividend payouts for those banks will be limited to up to 35 per cent. of distributable profits of the participating bank (at the parent company level). According to Law 3756/2009 and subsequent legislation, participating banks may only distribute dividends to holders of ordinary shares exclusively in the form of ordinary shares in relation to financial years 2008-2013, which must not be from treasury shares, and may not purchase treasury shares.

Further, participating banks are obliged not to pursue aggressive commercial strategies, including advertising the support they receive from the plan, in an attempt to compete favourably against competitors that do not enjoy the same support. Participating banks are also obliged to avoid expanding their activities or pursuing other aims, in such a way that would lead to unjustifiable distortions of competition. To this end, the participating banks must ensure that the mean growth rate of their assets on a yearly basis will not exceed the highest of the following ratios:

i. the Hellenic Republic's nominal GDP growth rate for the preceding year;

ii. the mean annual asset growth rate of the banking sector during the 1987–2007 period; or

iii. the mean annual asset growth rate of the EU banking sector during the past six months.

To oversee the implementation and regulation of the Hellenic Republic Bank Support Plan, Law 3723/2008 provided for the establishment of a supervision council (the "Council"). The Council is chaired by the Minister of Finance. Members currently include the Governor of the Bank of Greece, the Deputy Minister of Finance (who is responsible for the Greek General Accounting Office) and the government-appointed directors of each of the participating banks. The Council convenes on a monthly basis and has a mandate to supervise the correct and effective implementation of the Hellenic Republic Bank Support Plan and to ensure that the resulting liquidity is used for the benefit of the depositors, the borrowers and the Greek economy overall. Participating banks that fail to comply with the terms of the Hellenic Republic Bank Support Plan will be subject to certain sanctions, and the liquidity and guarantees provided to them may be revoked in whole or in part.

Monitoring Trustees

In line with the EU state aid rules, in January and February 2013, Monitoring Trustees were appointed in all Greek banks under restructuring, including the Bank, in accordance with the commitments undertaken by the Hellenic Republic towards the European Commission in December 2012 regarding banks under restructuring, in the Memorandum of Economic and Financial Policies ("MEFP"), between the Hellenic Republic and the Institutions contained in the First Review of the Second Economic Adjustment Programme, which was approved pursuant to Law 4046/2012.

Monitoring Trustees are respected international auditing or consulting firms endorsed by the European Commission on the basis of their competence, their independence from the banks and the absence of any potential conflict of interest. In each Greek credit institution undergoing restructuring, the Monitoring Trustees work under the direction of the European Commission, within the terms of reference agreed with the Institutions' staff. They submit quarterly reports on governance and operations, ad hoc reports as needed and also share their reports with the HFSF and the Ministry of Finance. In line with the EU state aid rules, the Monitoring Trustees are responsible for overseeing the implementation of restructuring plans submitted by Greek banks under restructuring and approved by the European Commission. This includes, *inter alia*, verifying proper governance and the use of commercial based criteria in key policy decisions even in the absence of an approved restructuring plan. Finally, the Monitoring Trustees closely follow the operations of the bank concerned, have permanent access to board committee meeting minutes and are observers at the Board and executive committees and other critical committees.

Grant Thornton S.A. was appointed as the Bank's Monitoring Trustee on 22 February 2013. The mandate of the Bank's Monitoring Trustee was amended and extended on 29 May 2014 to incorporate the monitoring of (i) the Restructuring Plan and (ii) all Commitments, as required under the State Aid Decision. On 22 December 2015, the mandate of the Bank's Monitoring Trustee was further amended so that it incorporates the revisions made to the Restructuring Plan in the context of the Bank's recapitalisation in November 2015.

The Commitments

In April 2014, the Bank's Restructuring Plan was approved pursuant to Decision C (2014)2993 of the European Commission "on THE STATE AID SA.34825 (2012/C), SA.34825 (2014/NN), SA.36006 (2013/NN), SA.34488 (2012/C) (ex2012/NN), SA.31155 (2013/C) (2013/NN) (ex2010/N)" implemented by Greece for the Group (the "State Aid Decision"). Pursuant to the State Aid Decision, the Hellenic Republic has undertaken the Commitments that are binding upon the Bank. In the context of the 2015 recapitalisation process, the Restructuring Plan was revised and approved by the European Commission. In addition to the amendment and extension of the mandate of the Bank's Monitoring Trustee, the revised Commitments currently include the following:

- the reduction of the Bank's cost of deposits collected in Greece (including savings, sight and term deposits and other similar products offered to customers and the costs of which are borne by the Bank);

- the reduction of the net loan to deposit ratio for the Bank's Greek banking activities to no higher than 115 per cent. by 31 December 2018;

- the reduction of the Bank's portfolio of foreign assets (defined as assets related to the activities of customers outside Greece, independently of the country where the assets are booked) to a maximum of €8.77 billion by 30 June 2018, with an extension by six months of the deadline (i.e. 31 December 2018) for the closing of each sale;

- commitments not to provide the Bank's foreign subsidiaries with additional equity or subordinated capital in excess of a specified threshold (calculated as a percentage of the weighted assets of each subsidiary up to a maximum percentage per subsidiary, unless the regulatory framework of each relevant jurisdiction requires otherwise);

- commitments relating to the credit policy to be adopted by the Group, including specific requirements applying to connected borrowers (including, among others, the Group's employees, management and shareholders, public institutions and government-controlled organisations and political parties);

- commitment to tackle the NPLs, in line with the NPL strategy included in the restructuring plan and consistent with any relevant regulatory requirements; and

- certain other commitments, including restrictions on the Bank's ability to make certain acquisitions subject to certain conditions and exemptions.

The text of the European Commission approval of the Bank's Revised Restructuring Plan and of the decision for granting of new aid, including the Commitments, is available on the website of the European Union at:

http://ec.europa.eu/competition/state_aid/cases/261237/261237_1741638_113_2.pdf

The website of the European Union and the information contained therein are not part of this Prospectus.

The Relationship Framework Agreement

Following completion of the Bank's share capital increase in May 2014, fully covered by investors, institutional and others, the percentage of the ordinary shares with voting rights held by the HFSF decreased from 95.23 per cent. to 35.41 per cent. and the HFSF and the Bank entered into a new relationship framework agreement on 26 August 2014, which replaced the initial relationship framework agreement of 12 July 2013.

Following the completion of the Bank's share capital increase in November 2015 fully covered by investors, institutional and other, the percentage of the ordinary shares with voting rights held by the HFSF decreased further from 35.41 per cent. to 2.38 per cent. Pursuant to Law 3864/2010 (the "HFSF Law"), as in force, on 4 December 2015, the Bank and the HFSF entered into a relationship framework agreement ("RFA") replacing the previous one that was signed on 26 August 2014.

The RFA regulates, among others, (a) the corporate governance of the Bank, (b) the Restructuring Plan and its monitoring, (c) the monitoring of the implementation of the Bank's non-performing loan management framework and of the Bank's performance on non-performing loan resolution. Furthermore, it deals with (d) the Material Obligations and the switch to full voting rights, (e) monitoring of Bank's actual risk profile against the approved Risk and Capital Strategy (f) the HFSF's prior written consent for the Bank's Group Risk and Capital Strategy and for the Bank's Group

Strategy, Policy and Governance regarding the management of its arrears and non-performing loans, and (g) the duties, rights and obligations of HFSF's Representative in the Board.

The RFA and the applicable HFSF Law do not preclude, reduce or impair the Bank's management to continue to determine independently, among others, the Bank's commercial strategy and policy in compliance with the Restructuring Plan and the decisions on the day-to-day operations.

According to HFSF Law, the HFSF has the following rights:

- restricted voting rights in the Bank's General Meetings; under this framework, the HFSF exercises its full voting rights in the General Meetings only for decisions concerning the amendments of the Bank's Articles of Association, including the increase or reduction of the capital or the corresponding authorisation to the Board, the mergers, divisions, conversions, revivals, extension of term or dissolution of the Bank, the transfer of assets (including the sale of subsidiaries), or any other issue requiring increased majority as provided for in the Law 2190/1920;

- the right to be represented with one (1) member in the Board of Directors;

- the right to preferential reimbursement, in priority to all other shareholders and *pari passu* with the Greek State as of preference shareholder under Law 3723/2008, from the proceeds of the Bank's liquidation, in the event the Bank is liquidated;

- free access to the Bank's books and records for the purposes of HFSF Law, with executives or consultants of its choice;

- the responsibility to perform, assisted by an independent consultant of international reputation, evaluation of the Bank's corporate governance framework, Board and Committees, as well as their members, in accordance with HFSF Law provisions; and

- the right to approve the Restructuring Plan or any amendment on it before its submission by the Ministry of Finance to the European Commission for approval. HFSF also monitors and reviews the performance of the Restructuring Plan's implementation.

Furthermore, HFSF's representative, according to the provisions of HFSF Law, has the right to:

- request the convocation of the Shareholders' General Meeting;

- request the convocation of the Board;

- veto any resolution of the Board (i) related to dividend distributions, the remuneration policy and the additional benefits (bonus) of Board members, of General Managers or of those to whom have been assigned the duties of a General Manager as well as of their deputies (ii) which may jeopardise depositors' interests or materially affect liquidity, solvency or, in general, the prudent and orderly operation of the Bank (such as business strategy and asset/liability management etc.) or (iii) concerning corporate actions resulting in the amendments of the Bank's Articles of Association, including the increase or reduction of the capital or the corresponding authorisation to the Board, the mergers, divisions, conversions, revivals, extension of term or dissolution of the Bank, the transfer of assets (including the sale of subsidiaries), or any other issue requiring increased majority as provided for in the Law 2190/1920 which may materially impact HFSF's participation in the Bank's share capital;

- request the postponement of a Board meeting or the discussion of any item for up to three (3) business days so as to receive HFSF's Executive Board's instructions; and

- approve the Chief Financial Officer ("CFO") of the Bank.

In exercising these rights, the HFSF representative should take into account the business autonomy of the Bank.

Additional to the rights provided for in HFSF Law, according to the RFA provisions, the HFSF has the right to:

- appoint HFSF's representative as member in Audit, Risk, Nomination and Remuneration Committees;

- appoint an observer in the Board and in the Audit, Risk, Nomination and Remuneration Committees with no voting rights;

- review the annual Board and the Committees' self-assessment for the purpose of identifying weaknesses and improving working methods and effectiveness; and

- monitor the implementation of the Bank's non-performing loan management framework and of the Bank's performance on non-performing loans resolution.

The HFSF's representative, according to the RFA provisions, has the additional right to:

- participate in the Audit, Risk, Remuneration and Nomination Committees;

- request the convocation of the Board Committees he participates;

- include items on the agenda of the General Meetings, the Board and the Audit, Risk, Nomination and Remuneration Committees meetings;

- request the postponement of a Board meeting in case the notification for the date of a Board meeting, including the agenda and the relevant material, data or information and all supporting documents with respect to the items of the agenda, are not sent at least three business days prior to the Board Meeting;

- request an adjournment of any Board meeting or the discussion of any item up to three business days, if it finds that the material, data or information and the supporting documents submitted to the HFSF pursuant to the items of the agenda of the forthcoming Board meeting are not sufficient; and

- veto any decision related to any other veto right each time provided by the HFSF Law.

The HFSF

The First Economic Adjustment Programme required the establishment of the HFSF, funded by the Greek government out of the resources made available by the IMF and the EU, to ensure adequate capitalisation of the Greek banking system. The HFSF was established in July 2010 pursuant to Law 3864/2010 as a private law entity, with the initial objective of helping to maintain the stability of the Greek banking system by providing capital support to credit institutions established in Greece and meeting certain eligibility criteria. The scope, governance, terms, conditions and processes for the provision of capital support by the HFSF, as well as the type of such support under Law 3864/2010 was amended in 2011, 2012, 2013, 2014, 2015, 2016 and most recently in 2017 (pursuant to Law 4456/2017), establishing the new recapitalisation framework.

Scope

The HFSF is established as a private law entity, with the objective of contributing to the maintenance of the stability of the Greek banking system for the sake of public interest, with the HFSF acting in line with the commitments of the Hellenic Republic under Law 4046/2012 relating to the Second Economic Adjustment Programme and Law 4336/2015 relating to the Third Economic Adjustment Programme.

In pursuing its objective, the HFSF:

- provides capital support to licensed credit institutions operating in Greece (including cooperative banks, branches of Greek credit institutions operating outside of Greece and branches of Greek subsidiaries of international credit institutions in Greece) in compliance with Law 3864/2010 and the EU state aid rules;

- monitors and assesses how credit institutions that have received capital support from the HFSF comply with their restructuring plans, safeguarding at the same time their business autonomy. The HFSF ensures that such credit institutions operate on market terms such that the participation of private investors therein in a transparent manner is promoted and the state aid rules are complied with;

- exercises its rights as shareholder deriving from its participation in the credit institutions that have received capital support from the HFSF, as such rights are set forth in Law 3864/2010 and in relationship framework agreements entered into with such credit institutions, in accordance with art. 6 par. 4 of the Law 3864/2010, in compliance with rules serving the prudent management of the HFSF's assets and the EU rules with respect to state aid and competition;

- disposes of, in whole or in part, the financial instruments issued by the credit institutions in which it participates, according to the provisions of article 8 of Law 3864/2010;

- grants loans to the HDIGF for resolution purposes in accordance with article 16 of Law 3864/2010;

- facilitates the management of non-performing loans of credit institutions; and

- enters into relationship framework agreements in accordance with art. 6 par. 4 of the Law 3864/2010 (and amends, as the case may be, relationship framework agreements already in place) with the credit institutions receiving (or having received) financial assistance from the EFSF and the ESM in order to ensure the implementation of its objectives and the exercise of its rights for as long as it holds equity or other capital instruments of such institution or it monitors the implementation of the restructuring plan of such credit institutions.

The HFSF's purpose is fulfilled in accordance with an integrated strategy for the banking sector and the management of non-performing loans that is agreed among the Ministry of Finance, the Bank of Greece and the HFSF. The short-term liquidity enhancement provided under the provisions of Law 3723/2008 or in the context of the operation of the Eurosystem and the Bank of Greece and the monitoring and review of acts and decisions of bodies of the special liquidation of credit institutions are expressly not included in the HFSF's scope.

The duration of the HFSF is set until 30 June 2020 and may be extended following a decision by the Minister of Finance, if it is necessary for the achievement of its objectives.

Governance of the HFSF

The HFSF is managed by two administrative bodies with decision making powers, namely the General Council and the Executive Committee. Given the HFSF's critical role, the recent amendments to Law 3864/2010 provided for the establishment of an independent, high profile selection committee to pre-select and remove the members of those two administrative bodies, determine their remuneration and the other terms of their mandate and assess their performance annually on the basis of criteria that it shall develop. The General Council, among others, monitors the compliance of the Executive Committee with the provisions of Law 3864/2010, as amended and in force, and resolves on issues of financial support to credit institutions the exercise of voting rights and the disposal of participations of the HFSF in credit institutions. The Executive Committee is in turn competent for the preparation of the task entrusted to HFSF, the application of the resolution of competent bodies and the implementation of acts required for the administration, operation and fulfilment of the HFSF's mission.

Funding

Under Law 3864/2010, the HFSF is funded out of: (a) resources raised within the context of the EU's and the IMF's support mechanism for Greece by virtue of Law 3845/2010 and Law 4060/2012 and (b) resources raised pursuant to the FAFA. Such funds may be gradually paid by the Greek state and are evidenced by instruments which shall not be transferable until the expiry of the term of the HFSF. The Minister of Finance may request the return of funds from the HFSF to the Greek state under the conditions of article 12 of Law 3869/2010.

Before the expiry of the HFSF's term or the initiation of its liquidation process, the Minister of Finance together with the EFSF and the ESM will determine the institution to receive HFSF's capital and assets (which must be independent from the Greek state as a legal person), as well as the way for such transfer. The EFSF's and ESM's economic and legal status must not be affected as a result of the transfer. If upon the expiration of the HFSF's term and before the initiation of its liquidation process, the HFSF has no obligations to the EFSF or the ESM and its assets are not burdened with security interests or other rights in favour of the EFSF or the ESM, HFSF's assets will be transferred to the Hellenic Republic by operation of law after the completion of its liquidation process.

Powers of the HFSF

Under Law 3864/2010, the HFSF has certain powers over the credit institutions receiving capital support from it which it exercises through a representative appointed in the board of directors of the relevant credit institution. Such representative has the right to:

- request convocation of a general meeting of the institution's shareholders;
- veto any decision at the board level: (i) regarding dividend distributions, the remuneration policy and the additional compensation (bonus) of Board members, of General Managers or of those to whom have been assigned the duties of General Manager and of their deputies; (ii) if the decision under discussion may jeopardise the interests of depositors or have a material adverse effect on the liquidity, solvency or, in general, the prudent and orderly operation of the credit institution (including its business strategy and the management of its assets and liabilities); or (iii) relating to corporate actions resulting in an amendment to the institution's articles of association, including resolutions relating to the increase or decrease of its share capital or the granting of a relevant authorisation to its board of directors, resolutions relating to mergers, divisions, conversions, revivals, extensions of the term or dissolution of the institution, resolutions relating to transfers of assets, (including the sale of subsidiaries) or resolutions with respect to any other matter requiring approval by an

increased majority in accordance with Law 2190/1920, to the extent such decision is likely to significantly affect HFSF's participation in the credit institution's share capital;

- request an adjournment of a board meeting for three business days in order to receive instructions from the Executive Committee of the HFSF;
- request convocation of a board meeting; and
- approve the appointment of the chief financial officer.

The HFSF has free access to all books and records of the credit institution for the purpose of exercising its rights.

Further to the recent legislative amendments, the HFSF is now empowered to assess the corporate governance framework of credit institutions with which a relationship framework agreement is in place. In this context, the HFSF shall: (i) assess the size, structure and the distribution of powers within the board of directors, board committees (as well as their members in order to ensure that the size and structure of such bodies and committees are appropriate) and, if necessary, any other committees of the credit institution on the basis of criteria that it will develop. The size and collective knowledge of the board of directors and the board committees must reflect the business model and the financial condition of the institution, and (ii) propose improvements and amendments to the institution's current corporate governance framework. Other than the criteria to be set by the HFSF, Law 4340/2015 and Law 4346/2015 have introduced certain minimum requirements with respect to the size, the structure and the members of the boards of directors and the board committees of the credit institutions assessed. In particular, all members of such bodies and committees must (i) have a minimum of ten years of experience as senior executives in banking, auditing, risk management or management of risk-bearing assets (with three years of experience, with respect to the non-executive members, as a board members of a credit institution, a financial sector enterprise or an international financial institution), (ii) not serve or have been entrusted during the last four years with prominent public functions, such as heads of state or of government, senior politicians, senior government, judicial or military officials or prominent positions as senior executives of state owned corporations or political party officials, and (iii) has declared any economic connections with the credit institution prior to its appointment. In addition, the boards of directors must comprise at least: (i) three experts as independent non-executive directors, with sufficient knowledge and international experience of at least 15 years with financial institutions (of which at least three years as members of an international banking group which is not active in the Greek market) unrelated to any Greek credit institution during the past decade, which shall chair all board committees, and (ii) one member with at least five years of international experience and specialisation in risk or NPL management, who shall be responsible for NPL management at board level and shall chair any special board committee for NPL management.

If the HFSF assesses that the above criteria are not met, it will notify accordingly the board of directors of the institution concerned and as long as board of directors does not take necessary measures for the materialisation of the relevant proposals, the HFSF shall request the convocation of the general meeting of the shareholders in order to inform them and shall propose the necessary changes (which may even include the substitution of certain members). The assessment results are also communicated to the competent supervisory authorities. In case the general meeting does not agree within three months with HFSF's proposals for substitution, the HFSF will publish on its website within four weeks a report on the assessed credit institution, the assessment criteria used, the names of the institution's members not having met the criteria and the HFSF's proposals.

In the event of liquidation of a credit institution, the HFSF, in its capacity as a shareholder of such credit institution will be satisfied preferentially towards any other shareholders together with the Hellenic Republic as holder of preference shares.

Cabinet Act 36 on the application of Law 3864/2010 (as amended by Law 4340/2015 and Law 4346/2015)

I. Means and allocation of capital support by the HFSF

The means and allocation of capital support by the HFSF pursuant to Law 3864/2010 in the form of ordinary shares and contingent convertible securities, the conditions for the issuance of contingent convertible securities by credit institutions and the HFSF's subscription therefore, the terms of such securities and the conditions for the conversion of such securities have been determined by Cabinet Act No. 36 issued on 2 November 2015 (the "Cabinet Act 36").

Allocation of capital support of the HFSF

In accordance with article 2 of Cabinet Act 36 the allocation of the HFSF participation in ordinary shares and convertible contingent securities is as follows:

(a) If the HFSF provides capital support under article 7 of Law 3864/2010 and the credit institution receiving such support qualifies for the precautionary recapitalisation of article 32, par. 3(d), case (cc) of Law 4335/2015, such capital support is allocated as follows:

  (i) 25 per cent. in ordinary shares; and

  (ii) 75 per cent. in contingent convertible securities;

(b) If the HFSF provides capital support under article 7 of Law 3864/2010 after the imposition of the burden sharing measures of 6B of such law (measures of public financial stabilisation under article 56 of Law 4335/2015), such capital support is allocated as follows:

  (i) in ordinary shares up to the amount required to cover losses which the credit institution has already incurred or may incur in the proximate future; and

  (ii) for the remaining amount, which would correspond to precautionary recapitalisation, 25 per cent. in ordinary shares and 75 per cent. in contingent convertible securities.

Contingent Convertible Securities

Contingent convertible securities issued to the HFSF by a credit institution pursuant to Law 3864/2010 and the Cabinet Act 36 are governed by Greek law, may be issued in a dematerialised form and, following an application by the HFSF, may be registered with the electronic registry of non-listed securities maintained by the ATHEX.

Pursuant to article 1, paragraph 2 of Cabinet Act 36, a credit institution may issue contingent convertible securities further to a decision of the general meeting of its shareholders prior to or after completion of the institution's share capital increase. From a regulatory treatment perspective the contingent convertible securities, will qualify as own funds whereas their exact classification will depend on the applicable legislation. The contingent convertible securities will be issued pursuant to a detailed programme which will include the following terms and conditions:

(a) Each contingent convertible security has a nominal value of 100,000 Euros, is issued at par and is perpetual without a fixed repayment date.

(b) The contingent convertible securities constitute direct, unsecured and subordinated investments in the credit institution ranking at all times *pari passu* without any preference amongst themselves. On a special liquidation of the credit institution the rights and claims of the holders of contingent convertible securities will rank:

(i) junior to all claims of all creditors (including all subordinated creditors), including but not limited to claims on the credit institution in respect of obligations which constitute Additional Tier 1 or Tier 2 Capital, but excluding parity obligations ("Senior Obligations");

(ii) *pari passu* with the parity obligations, which consist in ordinary shares of the credit institution and any claims agreed to rank *pari passu* to the contingent convertible securities ("Parity Obligations").

Holders of the contingent convertible securities will, upon a special liquidation of the credit institution prior to any conversion date, be entitled to a claim upon any residual assets of the credit institution (available for distribution after all Senior Obligations have been paid in full) for the nominal value of the contingent convertible securities, plus any accrued but unpaid interest.

Subject to applicable law, holders of the contingent convertible securities will have no right of set-off and will benefit from no security interest or guarantee that would enhance the seniority of their claim in special liquidation.

(c) If at any time the CET1 ratio (calculated on a consolidated basis or solo basis) falls below 7 per cent. ("Trigger Event"), the credit institution must:

(i) convert the contingent convertible securities by issuing to each holder conversion shares. The total number of conversion shares will be determined by dividing:

- 116 per cent. of the initial principal outstanding amount under the contingent convertible securities by

- the price per ordinary share as determined pursuant to the share capital increase of the credit institution ("Conversion Price"),

and the conversion shares issued to each holder of contingent convertible securities will be proportionate to the number of such securities held by the relevant holder ("Conversion Shares");

(ii) arrange for the publication of a conversion notice to holders of contingent convertible securities, promptly and at the latest five days before the conversion date (which may not fall later than a month (or any earlier date requested by the ECB) after the occurrence of a Trigger Event (the "Conversion Date"). The conversion notice must inform holders of contingent convertible securities of the occurrence of the Trigger Event, the Conversion Date, the Conversion Price and any procedures for the delivery of the Conversion Shares to the holders of contingent convertible securities; and

(iii) promptly inform the ECB of the occurrence of the Trigger Event.

Once so converted, the contingent convertible securities will be cancelled and will not be reissued nor will their nominal amount be restored under any circumstances. The terms and conditions of the contingent convertible

securities will include market standard provisions on adjustments to the Conversion Price in case of certain corporate actions.

(d) The contingent convertible securities will bear interest at (i) a rate of 8 per cent. per annum from and including the date of issue up to and including the seventh anniversary thereof and (ii) thereafter, if not repaid, at the applicable reset interest rate for each reset period, as determined pursuant to Cabinet Act 36.

The first reset period commences after the seventh anniversary and each successive reset period commences on the expiry of its preceding reset period and expires on its seventh anniversary.

Interest accrued will be payable on an annual basis on each interest payment date.

(e) The contingent convertible securities will automatically convert into ordinary shares if the credit institution does not pay, in whole or in part, interest accrued on two interest payment dates (which do not need to be consecutive). The holders of the contingent convertible securities will receive an amount of Conversion Shares derived pursuant to the calculation described in paragraph (c)(i) above.

(f) The credit institution may, at its absolute discretion, redeem all or some only of the contingent convertible securities at any time, at their initial par value plus any accrued and unpaid interest (but excluding any cancelled interest), subject to the conditions below:

(i) the credit institution obtaining such approval or non-objection or waiver as required on the part of the ECB under the banking laws and regulations applicable at the relevant time; and

(ii) payment of any obligations that must be repaid as a prerequisite to repayment or redemption, as may be required by the laws and regulations applicable at the relevant time.

Discretionary repayment of contingent convertible securities must be in cash. Holders of contingent convertible securities have no right to require the credit institution to repay such securities at any time but will have the right on the seventh anniversary to convert their securities into Conversion Shares, following which conversion they will receive a number of shares calculated as described in paragraph (c)(i) above.

(g) Payment of interest, whether in whole or in part, lies entirely at the discretion of the board of directors of the credit institution, but if the board decides payment of interest, such interest will be paid in cash. Any interest elected not to be paid shall not accumulate.

The board of directors of the credit institution will have the option, at its absolute discretion, to pay interest in kind, by delivering ordinary shares of the credit institution which will be issued for such purpose and the number of which will be determined by reference to the amount of interest payable at the relevant interest payment date and the share price (determined pursuant to paragraph 11 of article 1 of the Cabinet Act 36). At the option of the board of directors, a share capital increase for these purposes may take effect automatically, without the need to comply with any further procedural and corporate requirements (including with respect to any waivers of existing shareholders' pre-emption rights).

(h) No dividend shall be paid on the credit institution's ordinary shares if the credit institution has resolved not to make an interest payment to holders of contingent convertible securities at the immediately preceding interest payment date.

(i) The terms and conditions of the contingent convertible securities must not provide for events of default. Accordingly, the holders of contingent convertible securities may only be able to enforce the terms and conditions of the contingent convertible securities only upon the liquidation process.

(j) All payments are to be made free and clear of and without deduction or withholding for all taxes of the Hellenic Republic unless required by law. If so required, additional amounts will be payable by the credit institution subject to conventional limitations on such gross up.

(k) If, in respect of a series of contingent convertible securities:

(i) a regulatory event occurs upon a change (or pending change which the ECB considers to be sufficiently certain) in the regulatory classification of the securities under the applicable capital regulations, as a result of which the entire nominal amount of the securities will cease to qualify as CET1 capital of the credit institution (on a consolidated basis or a solo basis); or

(ii) a tax event occurs, in case any change in, or amendment of, the laws or regulations of any taxing jurisdiction (or a change of such jurisdiction or taxing authority) including without limitation changes in the interpretation of such laws and regulations and changes in international tax treaties, resulting in the credit institution being obliged to pay holders any additional amounts, or not being able to claim a deduction of the payment of interest on the securities (or such deduction would be materially reduced) or being obliged to account for a taxable credit in the event of a conversion of the securities,

and such event is continuing, the credit institution may substitute or modify the terms of all (but not some only) of the contingent convertible securities of such series, without any requirement for the consent or approval of the holders, so that they become or remain qualifying regulatory capital securities, within the meaning of par. 5 of article 2 of the Cabinet Act 36 on terms that may not be materially less favourable than the terms of the contingent convertible securities.

(l) Transfer of contingent convertible securities is only permitted to another holder of contingent convertible securities with the consent of the credit institution (not to be unreasonably withheld) and the ECB.

II. Preference Shares

In connection with the mandatory burden-sharing measures of article 6a of Law 3864/2010, Cabinet Act 36 expressly provides that the preference shares provided for in article 1 of Law 3723/2008 are included in the instruments being subject to such measures, in accordance with the valuation made on the basis of the ranking, type, percentage and amount of such instruments as provided for in article 6a of Law 3864/2010.

III. Recapitalisation Framework Reform

Set out below is a summary of the main terms under which capital support may be provided by the HFSF pursuant to Law 3864/2010, as amended by Law 4340/2015 and Law 4346/2015, to credit

institutions licensed to operate in Greece. This summary does not discuss specific terms which are applicable to banking cooperatives and non-systemic banks.

Process and Conditions for the Provision of Capital Support by the HFSF as Precautionary Recapitalisation (paragraph 3, indent (cc) of article 32 of Law 4335/2015, implementing article 32(4) of the BRRD) – Voluntary and Mandatory (burden-sharing) Measures:

(a) To receive capital support from the HFSF in accordance with Law 3864/2010, a credit institution should submit a relevant application to the HFSF up to an amount which is determined by the competent authority (within the meaning of article 4(40) of the CRR), after the observance of a detailed process described in article 6 of Law 3864/2010. Such process includes, *inter alia*:

(i) the carrying out of a viability assessment of the credit institution concerned by the competent authority for a period between three and five years on the basis of a restructuring plan (or an amended restructuring plan where there is an approved restructuring plan, in the case of a credit institution that has already received capital support from the HFSF) submitted by such credit institution;

(ii) the approval of such restructuring plan by the HFSF and the European Commission (with such amendments as may be requested by the HFSF and the European Commission); and

(iii) the publication of a Cabinet Act issued on the recommendation of the Bank of Greece ordering the implementation of the mandatory (burden-sharing) measures referred to below (article 6a of Law 3864/2010) and compliance with the EU state aid rules and the practices observed by the European Commission.

(b) The restructuring plan or the amended restructuring plan, as the case may be, should describe, based on conservative estimations, the ways in which the credit institution will recover satisfactory profitability within the following three to five years. The restructuring plan or the amended restructuring plan should enumerate the voluntary measures to be undertaken by the credit institution concerned to resolve any capital shortfall.

Once the restructuring plan or the amended restructuring plan, as the case may be, is approved by the HFSF, it is forwarded to the Ministry of Finance for submission to the European Commission for approval. Following the approval of the restructuring plan by the European Commission, and only after the Cabinet Act provided for in par. 1 of the amended article 6a of Law 3864/2010 has been issued, the HFSF provides its capital support in accordance with article 7 of Law 3864/2010, with the objective of minimising the need for state aid in compliance with the state aid rules of the European Union and the applicable practices of the European Commission. The HFSF monitors and evaluates the due implementation of the restructuring plan, as well as any amended restructuring plan, as the case may be, and is obliged to provide to the Ministry of Finance all necessary information for the purposes of ensuring that the European Commission is properly apprised of all developments. To fulfil this task, the HFSF and the relevant credit institution enter into a framework agreement in accordance with par. 4 of art. 6 of Law 3864/2010.

(c) In the event that (i) the voluntary measures set out in the credit institution's restructuring plan or amended restructuring plan, as the case may be, are insufficient to cover its capital shortfall and (ii) there is a need to avoid significant side effects to

the economy with adverse effects upon the public, and in order to ensure that the use of public funds remains the minimum necessary, the Cabinet, following a recommendation by the Bank of Greece, would issue an Act for the mandatory application of the measures provided for below (burden-sharing measures), aimed at allocating the residual amount of the capital shortfall of the credit institution to the holders of its capital instruments and other obligations, as may be deemed necessary.

Such allocation is completed upon publication of such Cabinet Act in the Government Gazette and made in the following order:

(i) firstly, to ordinary shares;

(ii) secondly, if needed, to preference shares and other CET1 capital instruments;

(iii) thirdly, if needed, to Additional Tier 1 instruments;

(iv) fourthly, if needed, to Tier 2 instruments;

(v) fifthly, if needed, to all other subordinated obligations; and

(vi) if needed, to unsecured senior liabilities non-preferred by mandatory provisions of law.

In case of conversion of the preference shares, issued in accordance with art. 1 of Law 3723/2008, into ordinary shares in accordance with article 6a of Law 3864/2010, the HFSF ipso jure acquires ownership of such ordinary shares. Also, the ordinary shares into which preference shares may be converted will have full voting rights. Such voting rights will be transferred to the HFSF as of conversion without any formalities being required.

Claims ranking *pari passu* would be treated equally, unless a deviation from this ranking and the principle of equal treatment may be justified when there are objective reasons to do so, as set out below.

(d) The mandatory (burden-sharing) measures which may be ordered pursuant to the Cabinet Act mentioned above include:

(i) the absorption of losses by the existing shareholders in order to ensure that the net asset value of the credit institution is equal to zero, where appropriate, pursuant to a decrease of the nominal value of its shares following a decision of the competent corporate body of the credit institution;

(ii) the decrease of the nominal value of preference shares and other capital instruments qualifying as CET1 capital and then, if needed, of the nominal value of Additional Tier 1 instruments and then, if needed, of the nominal value of Tier 2 instruments and other subordinated liabilities of the credit institution and, then, if needed, of the nominal value of unsecured senior liabilities non-preferred by mandatory provisions of law, in order to ensure that the net asset value of the credit institution is equal to zero; or

(iii) if the net asset value of the credit institution is above zero, the conversion into ordinary shares of other CET1 instruments and, then, if needed, of Additional Tier 1 instruments and then, if needed, of Tier 2 instruments and then, if needed, other subordinated liabilities and, then if needed, of unsecured senior liabilities of the credit institution non- preferred by mandatory provisions of law,

in order to restore the target level of the capital adequacy ratio of the credit institution prescribed by the competent authority.

In addition, the above measures may also concern:

(i) any obligations undertaken through the provision of guarantees granted by such credit institution with regard to debt or equity instruments issued by legal entities included in the consolidated financial statements of the credit institution; and

(ii) any claims against the credit institution under loan agreements which are in force and entered into between the credit institution and the above legal entities.

(e) The mandatory (burden-sharing) measures described above may not be ordered and implemented, whether in whole or in part with respect to specific instruments, provided that a positive decision of the European Commission in accordance with articles 107 to 109 of the Treaty on the Functioning of the European Union has been obtained and the Cabinet has ascertained, following recommendation by the Bank of Greece, that (i) such measures may jeopardise financial stability and (ii) the implementation of such measures may have disproportional effects, as it would be the case if the proposed capital support by the HFSF is low compared to the risk-weighted assets of the credit institution concerned and/or a significant portion of the credit institution's capital shortfall has been raised by private investors.

The final assessment of the above risks rests with the European Commission on a case-by case basis.

These mandatory (burden-sharing) measures are considered to be, for the purposes of recapitalisation under Law 3864/2010, reorganisation measures pursuant to the definition in article 2 of the EU Directive 2001/24/EC, which was transposed into Greek law by Law 3458/2006.

(f) The implementation of the voluntary or mandatory (bail-in) measures described above cannot, in any case:

(i) trigger contractual clauses which become effective upon liquidation, insolvency or the occurrence of any other event which may be classified as a credit default or event or lead to a breach of contractual obligations by the credit institution; or

(ii) be treated as a breach of contract by the credit institution concerned in order to substantiate the early termination or nullity of any contract by the credit institution's counterparty.

Contractual clauses which are contrary to the above shall have no legal effects. The preceding paragraphs apply also in the case of insolvency or occurrence of an event of default against third parties by a member of the group, when this is due to the application of 6a of Law 3864/2010 on its claims against another member of the same group.

(g) The holders of capital instruments or other liabilities of a credit institution, including unsecured senior liabilities non-preferred by mandatory provisions of law, who are the subject of the recapitalisation measures set forth in article 6a of Law 3864/2010 described above, must not, after the implementation of such measures, be in a worse financial position than if the credit institution had been placed under special liquidation

(no creditor worse-off principle). In the event that such principle is not observed, such holders and beneficiaries would be entitled to compensation from the Greek state, provided that they prove that their damages arising from the implementation of the mandatory measures are higher than if the credit institution concerned was put under special liquidation. In any case, their compensation cannot be higher than the difference between the value of their claims after the implementation of the mandatory measures and the value of their claims if the credit institution concerned had been placed under special liquidation, as such value is determined in accordance with the valuation conducted by an independent valuator appointed by the Bank of Greece.

(h) The Cabinet Act mentioned above will be published in the Greek Government Gazette, and a summary of such Cabinet Act will be published in the Official Journal of the European Union in Greek and two daily newspapers circulated throughout the territory of the Member State in which the credit institution has a branch or in which it directly provides cross-border banking and other financial services, in the official language of such Member State. Such summary will include the following information:

(i) the grounds and legal basis for issuing the Cabinet Act;

(ii) the judicial remedies which are available against the Cabinet Act and the deadline for seeking them; and

(iii) the competent courts before which the abovementioned judicial remedies may be sought.

The necessary details for the implementation of article 6a of Law 3864/2010 in relation to the adoption of the mandatory (burden-sharing) measures, including the process for the appointment of independent valuators, the content of the independent valuations and the proposal of the Bank of Greece, the methods for the calculation of capital instruments or other obligations that are converted, the possibility of change of the issuer of these securities, the method of implementing such conversions as well as details on any indemnification of the security holders will be set out in a Cabinet Act provided for in paragraph 11 of article 6a of Law 3864/2010.

Process and Conditions for the Provision of Extraordinary Public Capital Support by the HFSF (articles 56 of Law 4335/2015, implementing articles 37(10) and 56 of the BRRD – Public Equity Support Tool)

Under article 6b of Law 3864/2010, the HFSF provides extraordinary capital support following a decision of the Minister of Economy in accordance with paragraph 4 of article 56 of Law 4335/2015, in which case the HFSF participates in the recapitalisation process of the credit institution concerned by providing capital to the latter in exchange for CET1 capital instruments or Additional Tier 1 instruments or Tier 2 instruments, in accordance with article 57 of Law 4335/2015 (article 57 of the BRRD).

Capital Support

(A) The HFSF provides capital support as determined by the competent authority, but only up to the amount of the relevant credit institution's capital shortfall remaining outstanding after the implementation of the aforementioned voluntary measures and mandatory (burden-sharing) measures and following any potential participation of private investors and the approval of the restructuring plan by the European Commission and further following either implementation of the mandatory (burden-sharing) measures of article 6a of Law 3864/2010 and confirmation by the European

Commission (as part of the approval of the restructuring plan) that the credit institution concerned falls within the ambit of the exception of the last sub-paragraph of paragraph 4 of article 32 of Law 4335/2015; or placement of the credit institution concerned into resolution (articles 56 and 57 of Law 4335/2015), and taking of the measures required by Law 4335/2015.

(B) The provision of capital support is in any case conditional upon the execution of the relationship framework agreement and will be made through the subscription of HFSF for ordinary shares, contingent convertible securities or other convertible financial instruments issuable by the credit institution concerned. For these purposes, the HFSF may exercise, dispose of or waive any pre-emption rights in the context of a share capital increase or issue of contingent convertible securities or other convertible financial instruments

Capital support by the HFSF in the form of ordinary shares, contingent convertible securities or other convertible financial instruments must be in accordance with: (i) a general meeting resolution of the credit institution to this effect, specifically referring to art. 7 of Law 3864/2010; and (ii) the provisions of Cabinet Act 36, which also sets out the means and allocation of the capital support and the conditions for the issuance of contingent convertible securities or other convertible financial instruments by credit institutions and the HFSF's subscription, as well as the conditions for the conversion of such securities and instruments and any other necessary details, if required. Transfer of such securities or other financial instruments is subject to approval by the competent authority.

(C) The HFSF's subscription for such securities would be made by means of cash or bonds issuable by the ESM. Subject to certain exceptions applicable to credit institutions which do not currently have a restructuring plan approved by the European Commission and to credit institutions which are recapitalised by the Greek state pursuant to the public equity support tool under Law 4335/2015, the subscription price would be determined by the book building process conducted by the credit institution concerned (which must be at least equal to the nominal value of the shares) and accepted by the General Council of the HFSF following the opinion of an independent financial adviser appointed by the HFSF, that the book building process is in accordance with the best international practice in these circumstances.

According to article 7 of Law 3864/2010, a credit institution is not permitted to offer new shares to private investors at a subscription price lower than the HFSF's subscription price in the context of the same issue of shares. However, the price at which private investors may subscribe for shares may be lower than (i) the price at which the HFSF has subscribed for shares in previous capital increases of the credit institution concerned, or (ii) the current stock market price of the shares of such credit institution.

(D) The HFSF may, prior to the observance of the process set out in article 6a of Law 3864/2010 involving the implementation of mandatory (burden-sharing) measures pursuant to a Cabinet Act as outlined above, provide credit institutions that have requested capital support and fall within the exception of paragraph 4 of article 32 of Law 4335/2015 (precautionary recapitalisation of article 32(4) of the BRRD) with a commitment letter that the HFSF will participate in their share capital increase up to the amount determined by the competent authority and that such participation will be in accordance with article 7 of Law 3864/2010.

The HFSF would provide the requested capital support pursuant to a commitment letter only if the European Commission has approved such support and the Cabinet Act regarding the implementation of the mandatory (bail-in) measures has been published, as discussed above.

The above commitment of the HFSF would cease to be effective in the event that (i) the licence of the credit institution is revoked for any reason pursuant to article 19 of Law 4261/2014, (ii) the resolution measures provided for in paragraph 1 of article 37 of Law 4335/2015 (article 37 of the BRRD) are taken, before the commencement of the procedure for its share capital increase.

Cabinet Act No. 44/5.12.2015, issued under article 6a, paragraph 11 of Law 3864/2010, set out:

(i) the procedure for the appointment by the Bank of Greece of a valuator for the valuation of the assets and liabilities of the credit institution in case of and prior to the implementation of the burden sharing measures of article 6a of Law 3864/2010, as well as the content and purpose of such valuation; and

(ii) the details for the implementation of the mandatory measures of article 6a of Law 3864/2010 and the details for the determination of any compensation claimed by the holders of the capital instruments and liabilities subject to the mandatory burden sharing measures of article 6a of Law 3864/2010.

Regulatory Treatment of Deferred Tax Assets

Background

Article 36, par. 1(c) of the CRR establishes a general rule stating that credit institutions shall deduct from their CET1 deferred tax assets that rely on future profitability, meaning those deferred tax assets which may only be realised in the event the credit institution concerned generates taxable profits in the future.

Notwithstanding, article 39, par. 2 of the CRR allows the non-deduction from own funds of certain deferred tax assets that do not rely on future profitability establishing, however, that these *"shall be limited to deferred tax assets arising from temporary differences, where all the following conditions are met:*

(a) they are automatically and mandatorily replaced without delay with a tax credit in the event that the institution reports a loss when the annual financial statements of the institution are formally approved, or in the event of liquidation or insolvency of the institution;

(b) an institution shall be able under the applicable national tax law to offset a tax credit referred to in point (a) against any tax liability of the institution or any other undertaking included in the same consolidation as the institution for tax purposes under that law or any other undertaking subject to the supervision on a consolidated basis in accordance with Chapter 2 of Title II of Part One;

(c) where the amount of tax credits referred to in point (b) exceeds the tax liabilities referred to in that point, any such excess is replaced without delay with a direct claim on the central government of the Member State in which the institution is incorporated."

Summary of Greek legislation

Against this background, article 27A of Law 4172/2013, as amended by Law 4340/2015 and Law 4465/2017 the latter being applicable from 2016 onwards, introduced a number of measures which apply to Greek credit institutions, leasing and factoring companies supervised by the Bank of Greece and SSM respectively, with the purpose of allowing the

conversion of certain DTAs into deferred tax credits ("DTCs"). Entering or exiting from such conversion mechanism (the "Regime") is optional and is subject to prior approval by the shareholders' general meeting of the institution concerned ("GM"), following a relevant recommendation by its Board of Directors.

The GM's decision to opt-in the Regime concerns the creation of a special reserve, the issuance of securities giving the right to acquire ordinary shares ("conversion rights") in favour of the Greek state, the increase of the share capital of the institution concerned through the capitalisation of the special reserve resulting from the exercise of the conversion rights. In addition, for the opt-out, regulatory pre-approval is required.

In this regard, under certain preconditions, from fiscal year 2016 onwards DTAs related to:

(a) the remaining unamortised amount of the debit difference (according to the Greek tax legislation) resulting from the participation in the PSI and the Buy-Back Program; and

(b) the sum of (i) the unamortized part of the crystallized loan losses from write-offs and disposals, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other losses in general due to credit risk recorded up to 30 June 2015,

could convert into DTCs according to a predetermined formula as follows:

$$\text{DTC} = \text{Eligible accumulated DTA} \times \frac{\text{IFRS Loss of the year after tax}}{\text{Equity (excl. IFRS loss of the year after tax)}}$$

The DTCs created pursuant to the above are subject to an audit /correction to be performed by the Greek tax authorities.

As a result of the above mechanism, DTAs could be converted into DTCs from the fiscal year 2016 onwards and allow the institution concerned to offset these DTCs against its corporate income tax liability (including corporate income tax liabilities of its affiliates (as defined in Law 4172/2013), as the case may be, once group relief provisions are introduced into Greek law) of the respective year. This may happen in case there is a loss recorded in accordance with the IFRS but, following the necessary adjustments provided for in the Greek tax legislation, the result would be taxable profit with an income tax obligation in this respect (for example, the loan loss provisions treatment is different between IFRS and the Greek tax rules). In case the corresponding income tax liability for the year where the annual loss was recorded is not enough to offset the DTC in full, the remaining non-offsetable DTCs held by the institution concerned give rise to a direct payment claim against the Greek state. Upon conversion of DTA to DTC, the institution concerned issues, without consideration, conversion rights in favour of the Greek state. These conversion rights issued to the Greek state correspond to the ordinary shares of the institution concerned having a total market value representing 100 per cent. of the whole DTC converted part (i.e. before offsetting with the corporate income tax). In relation to institutions the shares of which are listed on the ATHEX, such as the Bank, the market price for its shares is equal to the weighted average stock exchange price during the last 30 business days before the date where its DTC becomes a receivable. The exercise of the conversion rights is without consideration and is realised with the capitalisation of the special reserve created by the institution concerned.

The conversion rights are convertible into ordinary shares, may be issued above par and are freely transferable by their holders. Within a reasonable time after the issuance date of the conversion rights, the existing shareholders of the institution concerned have a call option to acquire the conversion rights pro rata to their percentage participation in the share capital of the institution concerned at the time the conversion rights were issued.

The conversion mechanism (DTA to DTC) is also triggered in case of bankruptcy, liquidation or special liquidation of the institution concerned, as provided for in the Greek or EU legislation, as the latter has been transposed into the Greek legislation. In this case, any amount of DTCs which is not offset with the corresponding annual corporate income tax liability of the institution concerned gives rise to a direct payment claim against the Greek state.

Finally, article 27A of Law 4172/2013 also provides for the issuance of a Cabinet Act to address issues with respect to the implementation of the Regime, such as the monitoring and certification of the annual non-offsetable DTC, its collection method, which would be either in cash or cash equivalents as they are defined in IAS 7, the basic terms governing the conversion rights, the transfer details, the transfer value, the time and the procedure for the exercise of the call options by the shareholders of the institutions concerned, the time at which they become tradable on a regulated market.

In May 2017, according to article 82 of Law 4472/2017, which further amended article 27A of Law 4172/2013 in May 2017, an annual fee of 1.5 per cent. is imposed on the excess amount of deferred tax assets guaranteed by the Greek State, stemming from the difference between the current tax rate (i.e. currently 29 per cent.) and the tax rate applicable on 30 June 2015 (i.e. 26 per cent.). For the year ended 31 December 2017, an amount of €14 million has been recognised in the Bank's income statement of which an amount of €7 million refers to the respective fee for the year 2016.

Capital Controls

On 28 June 2015, pursuant to a Legislative Act of the same date, as subsequently amended (the "Act of 28 June 2015"), capital controls and a bank holiday were imposed in Greece. The Act of 28 June 2015 also provided for the creation of a committee for the approval of banking transactions during the bank holiday (the "Approval Committee").

The bank holiday ended on 20 July 2015 and the capital controls were relaxed pursuant to a Legislative Act endorsed on 18 July 2015, as subsequently amended and currently in force (the "Act of 18 July 2015"); the Act of 18 July 2015 also prescribed that the Approval Committee would continue its operation. As the legislative framework now stands, restrictions on cash withdrawals and transfers of funds still apply to credit institutions operating in Greece, payment institutions, e-money institutions (as well as foreign institutions' branches and representatives in Greece) and the Consignments Deposits and Loans Fund; its most significant provisions can be summarized as follows:

- since 1 March 2018, any forms of cash withdrawals from branches or Automatic Telling Machines (ATM) up to the amount of two thousand three hundred (2,300) Euros per calendar month per Customer ID, per credit institution, from institutions in Greece or abroad, are permitted. Such restriction applies to any payment in cash, regardless of the currency, including collections of cheques and payments under letters of guarantee: the Act of 18 July 2015 provides for specific exemptions/differentiations of the above restriction on cash withdrawals for certain transactions exhaustively listed therein (including the permission of cash withdrawals of up to 30 per cent. of funds transferred from abroad after 22 July 2016 and of cash withdrawals of up to 100 per cent. from amounts that are deposited to bank accounts of the beneficiary after 22 July 2016 in cash) and subject to the limits and further conditions set out in the Act of 18 July 2015;

- cash withdrawals in and outside Greece through the use of credit and prepaid cards issued by credit institutions operating in Greece are prohibited. On the contrary, credit and debit cards may be used for the purchase of goods or provision of services up to the maximum credit or debit limit determined for the card holder by the relevant credit institution;

- transfers of funds or cash abroad (including through transfer orders or through the use of prepaid, credit or debit cards) are prohibited other than transfers of cash up to €2,300 or its equivalent in a foreign currency, per individual and per trip (permanent residents abroad are exempted from such restriction). The acceptance and implementation of orders for the transfer of funds abroad by credit institutions, is allowed up to the amount of €2,000 per Customer ID and per two calendar months and up to the aggregate monthly amount set by the Approval Committee for every credit institution. In addition, the acceptance and implementation of orders for the transfer of funds abroad by Greek payment institutions as well as payment institutions in other EU member states offering money remittance services, including their representatives in both cases, is also allowed up to the amount of €2,000 per individual/payer per two calendar months, and up to the aggregate monthly amount set by the Approval Committee for every payment institution. The limit applying to every provider is the monthly balance arising following the set-off between incoming and outgoing money remittances implemented by such provider. The Act of 18 July 2015 provides for specific exemptions on the restriction of transfer of funds abroad for certain enumerated transactions and subject to the conditions set out therein;

- as from 1 March 2018, openings of accounts with credit institutions, as well as adding new co-beneficiaries to existing accounts is allowed;

- the early prepayment, partially or in full, of loans to credit institutions, as well as the early termination, in full or in part, of fixed term deposits are currently permitted;

- amounts that, after the entry into force of the capital controls legislation, are transferred from abroad by credit transfer to accounts held at a credit institution operating in Greece can be transferred anew, partially or in whole, to an account held at a credit institution operating abroad. This provision also applies to the transfer of capital outside Greece by an institution, for the purpose of purchasing foreign financial instruments, provided that the beneficiary's account from which the transfer is made, or the clients' account held by the investment services firm at the institution from which the transfer is made on behalf of the beneficiary, has been credited after 28 June 2015 with funds arising from remittance from abroad;

- credit institutions operating in Greece may transfer funds for the purposes of liquidity management and performance of their payment obligations in the context of servicing of agreements (for instance, servicing of payments in relation to securities and securitisations of the institution and its subsidiaries, including coupon payments, settlement of third parties' invoices and total or partial repayment of principal); and

- transactions that would normally fall within the scope of the above restrictions may be exempted by a decision, taken on an *ad hoc* basis, of the Approval Committee or, as the case may be, of a subcommittee for the approval of

banking transactions established in each credit institution. Depending on the amount and/or the importance of the envisaged transaction, the submission of an exemption application is made either to the Approval Committee or to the subcommittees that have been established in the credit institutions for that purpose.

The Act of 18 July 2015 also included restrictions on transfers of funds for transactions in financial instruments which were relaxed by virtue of a decision of the Minister of Finance dated 31 July 2015, which was further replaced by a decision of the Minister of Finance dated 7 December 2015 (the "Decision of 7 December 2015"). Currently, transfers of funds within the Greek banking system are permitted:

(a) for the purposes of clearing, including the management of collateral (margin), and settlement, until the end beneficiary, of transactions on financial instruments of article 5 of Greek Law 3606/2007 that are traded on regulated markets and multilateral trading facilities in Greece ("Financial Instruments"), including all possible expenses and commissions that relate to such transactions;

(b) for the performance of payment obligations and in general cash distributions by the issuers to the beneficiaries of the financial instruments of article 5 of Greek Law 3606/2007 (e.g., payments of coupons and dividends by the issuers);

(c) for the performance of standing orders existing on 28 June 2015 for the transfer of capital from savings accounts to UCITS of Greek Law 4099/2012, as in force, or Alternative Investments Funds ("AIFs") of Greek Law 4209/2013, that are subject to the management of AIFs Managers or to unit-linked mutual funds in the context of savings-investment programmes/accounts;

(d) for the acquisition of (i) newly issued Financial Instruments, where these are issued in the context of a share capital increase or the issuance of bond loans; and (ii) any securities issued by credit institutions authorised in Greece, for their recapitalisation; and

(e) for the acquisition of units of UCITS of Greek Law 4099/2012, as in force, that are distributed in Greece, provided that the proceeds deriving from the new distribution of fund units in Greece cannot be transferred or invested abroad.

Exceptionally, transfers of funds from a Greek institution abroad are allowed for the re-investment of available funds of UCITS, AIFs, social security funds, insurance companies, professional insurance funds and certain other entities, or for the investment of contributions to occupational insurance funds in accordance with their investment policies as at 28 June 2015, or from insurance companies in relation to specific investments from life insurance unit-linked contracts, subject to the specific conditions set-out in the Decision of 7 December 2015.

Moreover, the transfer of custody of financial instruments abroad is possible only for the clearing and settlement of transactions related to such financial instruments.

Finally, there are no restrictions on the transfer of the proceeds from the clearing and settlement of transactions on Financial Instruments, as well as the amount of cash distributions from issuers to holders of financial instruments referred to under article 5 of Greek Law 3606/2007, through a Greek bank to an account outside of Greece and up to the end beneficiary thereof, provided that (i) if such account is an existing account, that account should have been used for the clearing and settlement of transactions in such instruments

through the relevant investment account prior to the commencement of the bank holiday on 28 June 2015, and (ii) with respect to a new investment account, the funds used to purchase Financial Instruments or to open position on derivatives through such investment account should have been transferred from an account held outside of Greece. Where the credit of the clearing and settlement proceeds to bank accounts outside the Greek banking system is permitted, as mentioned above, then the proceeds that are transferred abroad may be also used for the acquisition of units of UCITS of Greek Law 4099/2012.

RISK MANAGEMENT

Risk Management Overview – Objectives and Policies

The Group acknowledges that taking risks is an integral part of its operations in order to achieve its business objectives. Therefore, the Group's management sets adequate mechanisms to identify those risks at an early stage and assesses their potential impact on the achievement of these objectives.

Due to the fact that economic, industry, regulatory and operating conditions will continue to change, risk management mechanisms are set (and evolve) in a manner that enables the Group to identify and deal with the risks associated with those changes. The Bank's structure, internal procedures and existing control mechanisms ensure both the independence principle and the exercise of sufficient supervision.

Group's management considers effective risk management as a top priority, as well as a major competitive advantage, for the organisation. As such, the Group has allocated significant resources for upgrading its policies, methods and infrastructure, in order to ensure compliance with the requirements of the ECB, the guidelines of the EBA and of the Basel Committee for Banking Supervision and the best international banking practices. The Group implements a well- structured credit approval process, independent credit reviews and effective risk management policies for credit, market, liquidity and operational risk, both in Greece and in each country of its international operations. The risk management policies implemented by the Bank and its subsidiaries are reviewed annually.

The Board Risk Committee ("BRC") is a committee of the BoD and its task is to assist the BoD to ensure that the Group has a well-defined risk and capital strategy in line with its business plan and adequate risk appetite.

The Group Risk and Capital Strategy, which has been formally documented, outlines the Group's overall direction regarding risk and capital management issues, the risk management mission and objectives, risk definitions, risk management principles, risk appetite framework, risk governance framework, strategic objectives and key initiatives for the improvement of the risk management framework in place.

The BRC assesses the Group's risk profile, monitors compliance with the approved risk appetite and risk tolerance levels and ensures that the Group has developed an appropriate risk management framework with appropriate methodologies, modeling tools, data sources and sufficient and competent staff to identify, assess, monitor and mitigate risks.

The BRC consists of five non-executive directors, meets at least on a monthly basis and reports to the BoD on a quarterly basis and on ad hoc instances. During 2017, the BRC met fourteen (14) times.

The Management Risk Committee ("MRC") is a management committee, established by the CEO in 2016. It operates as a consulting committee to the BRC.

The main responsibility of the MRC is to oversee the risk management framework of the Group. As part of its responsibility, the MRC facilitates reporting to the Board Risk Committee on the range of risk-related topics under its purview. The MRC ensures that material risks are identified and promptly escalated to the BRC and that the necessary policies and procedures are in place to prudently manage risks and to comply with regulatory requirements. Additionally, the MRC determines appropriate management actions which are discussed and presented to the Executive Board ("EXBO") for information and submitted to BRC for approval.

The Group's Risk Management General Division, which is headed by the Group Chief Risk Officer ("GCRO"), is independent from the business units and has full responsibility for the monitoring, the measurement and the management of credit, market, operational and liquidity risks of the Group. It

comprises the Credit Sector, the Group Credit Control Sector, the Capital Adequacy Control (Credit Risk) & Regulatory Framework Sector, the International Credit Sector, the Group Market & Counterparty Risk Sector, the Group Operational Risk Sector and the SSM office (dual reporting also to Group CFO).

Credit Risk

Definition of Credit Risk

Credit risk is the risk that a counterparty will be unable to fulfill its payment obligations in full when due. Credit risk also includes country risk and settlement risk.

Country risk is the risk of losses arising from economic difficulties or political unrest in a country, including the risk of losses following nationalisation, expropriation and debt restructuring.

Settlement risk is the risk arising when payments are settled, for example for trades in financial instruments, including derivatives and currency transactions. The risk arises from a counterparty's default on transactions in the process of being settled and where the sold asset or cash has been delivered to the counterparty but the purchased asset or cash has not yet been received in return as expected.

Credit risk arises principally from the corporate and retail lending activities of the Group, including from credit enhancement provided, such as financial guarantees and letters of credit. The Group is also exposed to credit risk arising from other activities such as investments in debt securities, trading activities, capital markets and settlement activities. Credit risk is the single largest risk the Group faces. It is rigorously managed and is monitored by centralised dedicated risk units, reporting to the GCRO.

Credit approval process

The credit approval and credit review processes are centralised both in Greece and in the International operations. The segregation of duties ensures independence among executives responsible for the customer relationship, the approval process and the loan disbursement, as well as monitoring of the loan during its lifecycle.

The credit approval process in Corporate Banking is centralised through establishment of Credit Committees with escalating Credit Approval Levels, in order to manage the corporate credit risk. Main Committees of the Bank are considered to be the following:

1. Credit Committees (Central and Local) authorised to approve new financing, renewals or amendments in the existing credit limits, in accordance with their approval authority level, depending on total limit amount and customer risk category (i.e. high, medium or low), as well as the value and type of security;

    - Special Handling Credit Committees authorised to approve credit requests and take actions for distressed clients;

    - International Credit Committees (Regional & Country) established for credit underwriting to wholesale borrowers for the Group's international Bank subsidiaries, authorised to approve new limits, renewals or amendments to existing limits, in accordance with their approval authority level, depending on total customer exposure and customer risk category (i.e. high, medium or low), as well as the value and type of security; and

- International Special Handling Committees established for handling distressed problematic wholesale borrowers of the Group's international Bank subsidiaries.

The Credit Committees meet on a weekly basis or more frequently, if needed.

The main responsibilities of the Credit Sector of the Risk Management General Division are:

- review and evaluation of credit requests of:
    - domestic large and medium scale corporate entities of every risk category;
    - specialised units such as Shipping and Structured Finance; and
    - retail sector's customers (small business and individual banking) above a predetermined threshold;
- issuance of an independent risk opinion for each credit request, which includes:
    - assessment of the customer credit profile based on the risk factors identified (market, operations, structural and financial);
    - a focused sector analysis; and
    - recommendations to structure a bankable, well-secured and well-controlled transaction;
- confirmation of the ratings of each separate borrower, to reflect the risks acknowledged;
- participation with voting rights in all credit committees, as per credit approval procedures (except for Special Handling Committee I - no voting rights);
- active participation in all external/regulatory audits of the Bank;
- preparation of specialised reports to Management on a regular basis, with regards to media sector, Top 25 biggest Borrower groups and statistics on the new approved financings;
- safeguard compliance of the Lending Units with specialised policies (e.g. SPPI process for the corporate portfolio, environmental and social policy);
- provision of specialised knowledge, expertise and support to other departments of the Bank, in relation to operational and credit procedures, security policies, new lending products and restructuring schemes.

The Credit Sector is responsible for the maintenance of the credit approval archives of the Bank. With respect to the meetings of the Credit Committees (Central, Local and Special Handling), the Credit Sector is responsible for the preparation of the agendas, the distribution of the respective material as well as the preparation of minutes jointly with the Chairman of the Central Credit Committees' Office.

Credit Sector through its specialised Early Warning Unit ("EWU"), is also responsible to assess the wholesale portfolio and detect distress signals for specific borrowers. EWU has developed a multi-criterion delinquency application that is operating in parallel to the Bank's rating systems and targets

to identify those borrowers whose financial performance may deteriorate significantly in the future and for whom the Bank should take actions for close monitoring and effective management.

The approval process for loans to small businesses (turnover up to €5 million) is centralised following specific guidelines for eligible collaterals as well as the 'four-eyes' principle. The assessment is based on an analysis of the borrower's financial position and statistical scorecards.

The credit approval process for Individual Banking (consumer and mortgage loans) is centralised. It is based on specialised credit scoring models and credit criteria taking into account the payment behavior, personal wealth and financial position of the borrowers, the type and quality of securities and other factors as well. The ongoing monitoring of the portfolio quality and of any other deviations that may arise, leads to an immediate adjustment of the credit policy and procedures, when deemed necessary.

The International Credit Sector ("ICS") is responsible to actively participate in the design, implementation and review of the credit underwriting function for the wholesale portfolio of the International Subsidiaries. Moreover, ICS advises and supports Risk Divisions of the International Subsidiaries.

In this context, ICS is responsible for the implementation of the below activities:

- Participation with voting right in all International Committees (Regional, Country and Special Handling);
- Preparation of the secretariat work of the International Committees including arrangement of the agenda and submission / circulation of the minutes of the respective committees;
- Participation in the sessions of Monitoring Committee responsible to monitor and decide on the strategy of problematic corporate relationships with loan outstanding exceeding a certain threshold, that is jointly set by ICS and Country TAG;
- Chairmanship in Country Risk Committees (CRCs);
- Continuous support to the Credit Risk Units of international subsidiaries by means of providing advice on best practices and training;
- Preparation and periodic update of the International Credit Policy Manual (Wholesale Banking) of international subsidiaries; and
- Implementation of Group's credit related special projects.

In cooperation with Group Credit Control, conducting reviews of loan quality and specific loan segments (for example, Real Estate portfolios and agribusiness).

Credit Risk Monitoring

The quality of the Group's loans portfolios (business, consumer and mortgage in Greece and abroad) is monitored and assessed by the Group Credit Control Sector ("GCCS"). The Sector operates independently from all the business units of the Bank and reports directly to the GCRO.

The Credit Control Sector's key activities include:

- monitoring and reviewing the performance of all loan portfolios of the parent bank and its Greek and Foreign subsidiaries;

- conducting field reviews and preparing written reports to management on the quality of loans for all of the Group's lending units;
- supervising and controlling the credit control functions in the subsidiary Banks and financial institutions in South-Eastern Europe;
- reviewing credit policies in order to be submitted to the GCRO for final approval;
- supervising, supporting and maintain the Moody's Risk Advisor (MRA), used to assign borrower ratings to corporate lending customers;
- creating, overseeing and supporting the Transactional Rating (TR) application, used for the Wholesale lending portfolio, to measure the overall risk of the credit relationship taking into account both the creditworthiness of the borrower and required collaterals;
- regular monitoring and monthly/quarterly reporting to Eurobank's BRC and quarterly reporting to Eurobank's BoD asset quality issues;
- preparing the proposals of the provisioning policy and regularly reviewing the adequacy of provisions for all portfolios in Greece and in International;
- giving opinion for new lending products and restructuring/rescheduling schemes;
- attending meetings of Credit Committees, Special Handling Committees and Non-Performing Loans Committee without voting right; and
- participating in the Troubled Assets Committee and in the Loans and Products Committee.

The main responsibilities of the Capital Adequacy Control (Credit Risk) & Regulatory Framework Sector ("CAC&RF") are to implement and maintain the Internal Ratings Based (IRB) approach in accordance with the Basel framework and the Capital Requirements Directive (CRD) for Eurobank's loans portfolio of the Group; to measure and monitor loan portfolio; to measure and monitor loan portfolios, capital requirements and to manage credit risk regulatory related issues, such as the Asset Quality Reviews (AQR) and the stress tests.

The main activities of Capital Adequacy Control (Credit Risk) & Regulatory Framework Sector are:

- implementation of the IRB roll-out plan of the Group;
- management of the models implementation activities and validation of IRB models of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) for evaluating credit risk;
- measurement, monitoring and backtesting of risk parameters (PD, LGD, EAD) for the purposes of capital adequacy calculations, as well as, for provisioning purposes, where relevant;
- performing stress tests both internal and external (EBA/SSM) and maintaining the credit risk stress testing infrastructure;
- management of the implementation and validation of forecasting models linking macroeconomic factors to credit quality (PD, LGD) for the loan portfolios;

- management of external Asset Quality Reviews (Bank of Greece, ECB);
- monthly capital adequacy calculations (Pillar I) and preparation of relevant management, as well as, regulatory reports (COREPs, SREP) on a quarterly basis;
- preparation of credit risk analyses for Internal Capital Adequacy Assessment (ICAAP) / Pillar II purposes;
- preparation of Basel Pillar III disclosures for credit risk;
- participation in the preparation of the business plan, the restructuring plan and the recovery plan of the Group in relation to asset quality and capital requirements for the loan book (projected impairments and RWAs);
- participation in the Stress Test Committee and Recovery Plan Steering Committee;
- support the business units in the use of IRB models in business decisions and independent review of the usage of risk parameters in risk related metrics such as Risk Adjusted Return on Capital (RAROC) etc.;
- monitoring of the regulatory framework in relation to the areas of responsibility; performing impact assessment (internal or external) such as QIS/benchmarking; initiating and managing relevant projects; and
- regular reporting to the GCRO, to the Management Risk Committee and to the Board Risk Committee on the following topics:
  - ✓ risk models performance;
  - ✓ risk parameters (PD, LGD, EAD, re-default vintage analyses);
  - ✓ ipdates on regulatory changes and impact assessment; and
  - ✓ credit risk stress testing.

All International bank subsidiaries apply the same credit risk management structure and control procedures as the parent Bank, reporting directly to the Group Chief Risk Officer. Risk management policies and processes are approved and monitored by the credit risk Sectors of the parent bank ensuring that group guidelines are in place and credit risk strategy is uniformly applied across the Group.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers and to industry segments. The exposure to any one borrower including banks and brokers is further restricted by sub limits covering on and off-balance sheet exposures and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts.

Such risks are monitored on a revolving basis and are subject to an annual or more frequent review. Risk concentrations are monitored regularly and reported to the BRC.

Troubled Assets Management

The Troubled Assets Group General Division has the overall responsibility for the management of the Group's troubled assets portfolio and ensures close monitoring, tight control and course adjustment

taking into account the continuous developments in the macro environment, the regulatory and legal requirements, the international best practices and new or evolved internal requirements.

The Troubled Assets Group General Division cooperates with Group Risk Management to reach a mutual understanding of the implemented practices and to develop appropriate methodologies for the assessment of risks and to deploy appropriate strategies/policies for all the loan portfolios under management. The Troubled Assets Group General Division proposals and reports are submitted to the Board of Directors and its Committees and also to the Group Chief Risk Officer on a quarterly basis, or more frequently if it is required. For more information regarding Troubled Assets Group please refer to the section "*Eurobank Ergasias S.A. – Troubled Assets Group*".

Market Risk

Objectives for market and counterparty risk control and supervision

Risk is at the core of the Eurobank's business. The objectives for the Bank's market and counterparty risk control and supervision are to:

- protect the Bank against unforeseen market and counterparty related losses and contribute to earnings stability through the independent identification, assessment and understanding of the market risks inherent in the business;
- align the Bank organisational structure and management processes with regulatory requirements and international best practices;
- set minimum standards for controlling market and counterparty risks;
- develop transparent, objective and consistent market and counterparty risk information as the basis for sound decision-making;
- establish a structure that will allow the Bank to link business strategy and operations with the objectives for risk control and supervision; and
- safeguard adherence to the Group's Risk Appetite limits.

The Bank is developing processes to measure performance on a risk-adjusted basis and allocate capital accordingly with the objectives to maximise earnings potential.

Risk Definitions

Sources of market and counterparty risks

Market risk is the risk of potential financial loss due to an adverse change in market variables. As noted elsewhere in the document, the Bank is exposed to five types of market risk:

- Interest-rate risk;
- Equity price risk;
- Foreign exchange risk;
- Commodities price risk; and
- Implied Volatilities of the above.

Counterparty risk is the risk of potential financial loss stemming from a counterparty's inability to meet his financial obligations in the context of a market instrument. It includes:

- Issuer risk for debt securities traded in the financial markets;
- Counterparty credit risk for derivatives (interbank and corporate); and
- Counterparty credit risk for interbank activities (placings, repos, etc).

Effects of market and counterparty Risks

The Bank is potentially exposed to market risks through all of its assets, liabilities and off-balance sheet positions, in both Treasury and all other portfolios.

Changes in market variables can affect the ERB financial condition in three ways:

- the earnings effect - the impact of changes in market rates on cash flow;
- the economic value, or net worth, of ERB, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates. Changes in market variables will impact the economic value of ERB assets, liabilities and off-balance sheet positions and therefore its economic value; and
- the Potential Future Exposure (PFE) effect – the impact of changes in market risk variables to counterparty exposure and subsequent increase of counterparty credit risk faced by the Bank.

The purpose of the Bank's market risk control and supervision structure is to control and monitor the effect of market risks on earnings, economic value and potential exposure.

Similarly, the Bank is potentially exposed to counterparty risks through all of its assets and off-balance sheet positions, in both Treasury and all other portfolios. Counterparty credit-worthiness affects the economic value, or net worth, of ERB, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates.

Counteparty Risk

Counterparty risk is the risk that a counterparty in an off balance sheet transaction (i.e. derivative transaction) defaults prior to maturity and the Bank has a claim over the counterparty (the market value of the contract is positive for the Bank).

To reduce the exposure towards single counterparties, risk mitigation techniques are used. The most common is the use of closeout netting agreements (usually based on standardised ISDA contracts), which allow the bank to net positive and negative replacement values in the event of default of the counterparty. Furthermore, the Bank also applies margin agreements (CSAs) in case of counterparties. Thus, collateral is paid or received on a daily basis to cover current exposure. In case of repos and reverse repos the Bank applies netting and daily margining using standardised GMRA contracts.

Liquidity Risk

The Group is exposed to events on a daily basis which affect the level of its available cash resources due to deposits withdrawals, maturity of medium or long term notes and maturity of secured or unsecured funding (interbank repos and money market takings), loan draw-downs and forfeiture of guarantees. Furthermore, margin calls on secured funding transactions (with ECB and the market)

and on risk mitigation contracts (CSAs, GMRAs) result in liquidity exposure. The Group maintains cash resources to meet all of these needs. The Board Risk Committee (BRC) sets liquidity limits to ensure that sufficient funds are available to meet such contingencies.

Past experience shows that liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment. This is also the case with credit commitments where the outstanding contractual amount to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the Group.

Liquidity Risk Management Framework

The Group's Liquidity Risk Management Policy defines the following supervisory and control structure:

- BRC's role is to approve all strategic liquidity risk management decisions and monitor the quantitative and qualitative aspects of liquidity risk;
- Group Assets and Liabilities Committee has the mandate to form and implement the liquidity policies and guidelines in conformity with Group's risk appetite and to review at least monthly the overall liquidity position of the Group;
- Group Treasury is responsible for the implementation of the Group's liquidity strategy, the daily management of the Group's liquidity and for the preparation and monitoring of the Group's liquidity budget;
- Global Market and Counterparty Risk Sector is responsible for measuring, monitoring and reporting the liquidity of the Group.

The Bank as per ECB, EBA & BoG directives applies risk management policies, processes and controls regarding, Asset Encumbrance / Liquidity Buffers and Collateral Management, Contingency Funding Plan (CFP), Intraday Liquidity Risk Management and Liquidity Stress Tests. These policies, processes and controls along with the liquidity governance are described in the ILAAP (Internal Liquidity Adequacy Assessment Process).

These policies, processes and controls are applicable in the specific Greek macro-economic environment, Banks' business model and market conditions on wholesale funding.

Liquidity Buffer

The Group holds a diversified portfolio of cash and high liquid assets to support payment obligations and contingent deposit withdrawals in a stressed market environment. The Group's assets held for managing liquidity risk comprise:

(a) cash and balances with central banks;

(b) eligible bonds and other financial assets for collateral purposes; and

(c) interbank placings maturing within one month.

Operational Risk

Operational risk is embedded in every business activity undertaken by the Group. The primary goal of operational risk management is to ensure the integrity of the Group's operations and its reputation by mitigating its impact. However, by nature, it cannot be fully eliminated. To best manage operational risk, the Group has established a formal Operational Risk Management Framework to define its approach to identifying, assessing, managing, monitoring and reporting operational risk.

Governance responsibility for operational risk management stems from the Board of Directors (BoD) through the Executive Board and Senior Management to the Heads and staff of every business unit. The BoD establishes the mechanisms by which the Group manages operational risk by setting the tone and expectations from the top and delegating authority. The Board Risk Committee (BRC) and the Audit Committee (AC) monitor the operational risk level and profile of the Group including the level of operational losses, their frequency and severity.

The Group Chief Risk Officer is the sponsor of operational risk related initiative and ensures implementation of the Operational Risk Management Framework. The Group Chief Risk Officer has the overall responsibility and oversight of the Operational Risk Units in the countries that the Bank operates. The Operational Risk Committee is a management committee that assesses the operational risks arising from the activities of the Group, ensures that each business entity has appropriate policies and procedures for the control of its operational risk and that prompt corrective action is taken whenever a high risk area is identified.

Group Operational Risk Sector (GORS) is responsible for establishing and maintaining the Group's Operational Risk Management Framework and for operational risk oversight. An Operational Risk Unit operates in every subsidiary of the Group, being responsible for implementing the Group's operational risk framework. GORS is responsible for:

- defining the methodology for the identification, assessment and reporting of operational risk;
- implementing regulatory requirements and Group guidelines;
- monitoring the operational risk level and profile and reporting thereon to the BRC; and
- defining and rolling out the methodology for the calculation of the regulatory capital charge for operational risk.

The Heads of each business and functional unit (risk owners) have the primary responsibility for the day-to-day management of operational risk arising in their units and for the adherence to relevant controls. To this end, every business unit: Identifies, evaluates and monitors its operational risks and implements risk mitigation controls and techniques;

- assesses control efficiency;
- reports all relevant issues; and
- has access to and uses the common methods and tools introduced by the GORS, in order to facilitate the identification, evaluation and monitoring of operational risk.

An OpRisk Partner is assigned in each business unit and is responsible for coordinating the internal operational risk management efforts of the business unit while acting as a liaison to the local Operational Risk Unit. Certain business units have established a dedicated Anti-Fraud Unit or Function, according to the fraud risk to which their operations are exposed. Their main objective is to continuously identify fraud risks and to undertake all appropriate actions in addressing and mitigating those risks in a timely manner.

Single Supervisory Mechanism (SSM) / SSM Office

The Single Supervisory Mechanism ("SSM") comprises the ECB and the national supervisory authorities of the participating countries.

The SSM's main objectives are to:

- ensure the safety and soundness of the European banking system;
- increase financial integration and stability; and
- ensure consistent supervision.

The ECB in cooperation with national competent authorities is responsible for the effective and consistent functioning of the SSM.

It has the authority to:

- conduct supervisory reviews, on-site inspections and investigations;
- grant or withdraw banking licences;
- assess banks' acquisition and disposal of qualifying holdings;
- ensure compliance with EU prudential rules; and
- set higher capital requirements ("buffers") in order to counter any financial risks.

In order to respond to the increased supervisory requirements, the Bank established the Single Supervisory Mechanism Office ("SSM Office"). The SSM Office has a coordinating and supervisory role of projects and initiatives associated with the Single Supervisory Mechanism (SSM) and the Single Resolution Mechanism (SRM) perimeters, and it constitutes the primary link of the Bank with the supervisory authorities (ECB, BoG, SRB) aiming to establish strong and sustainable relationships.

For further information in relation to Bank's risk management see published 31.12.2017 Consolidated Pillar 3 report:

https://www.eurobank.gr/-/media/eurobank/omilos/enimerosi-ependuton/enimerosi-metoxon-eurobank/oikonomika-apotelesmata-part-01/2017/full-year-2017/pillar-3-2017-en.pdf.

THE BANKING SECTOR AND THE ECONOMIC CRISIS IN GREECE

The Structure of the Banking Sector in Greece and Recent Developments

Overview

The banking sector in Greece expanded rapidly between 1992 and 2009 due to deregulation, Greece's entry into the Eurozone and technological advances. The growth of the sector was the result of both organic expansion and mergers and acquisitions, primarily in the wider region of Southeastern Europe, where a number of Greek banks operate. Nevertheless, as a result of the international financial crisis beginning in 2008, and the emergence of the fiscal crisis in Greece in the last quarter of 2009, the Greek banking system has experienced particularly challenging conditions and has undergone a phase of significant consolidation through a series of mergers and acquisitions, including acquisitions of selective assets and liabilities of credit institutions and banking cooperatives which have been placed under special liquidation.

At present, according to the information available in the database of the Bank of Greece, there are eight credit institutions, nine banking cooperatives and 22 branches of foreign banks which are operating in Greece, compared to 19 credit institutions, 16 banking cooperatives and 29 branches of foreign banks which were operating in Greece in November 2009. As at the date of this Prospectus, all banks currently incorporated and operating in Greece are commercial banks, with the exception of the Consignment Deposits and Loans Fund, which is a specialised credit institution.

The Hellenic Republic Bank Support Plan

In November 2008, the Greek Parliament passed Law 3723/2008, which sets out the Hellenic Republic Bank Support Plan. The law was passed with the goal of strengthening the capital and liquidity positions of Greek banks in an effort to safeguard the Greek economy from the adverse effects of the global financial crisis. The Hellenic Republic Bank Support Plan has been revised several times by subsequent legislation and ministerial decisions, which, among others, abolished the compulsory redemption of the preference shares issued under Pillar I of the plan at the end of the five-year period after their issue date against an increase of their return by 2 per cent. per annum on a cumulative basis after such period has ended, permitted the redemption of the preference shares in whole or in part in consideration for cash or Tier II capital instruments as defined in Regulation (EU) 575/2013, or a combination thereof, after the expiration of the five-year period, amended the prohibition on the payment of dividends, increased the total amount that can be provided by the Hellenic Republic under Pillar II of the plan, increased, from 1 January 2012 onwards, the commission paid to the Hellenic Republic for the provision of guarantees under Pillar II of the plan and extended the duration of Pillar II until 31 May 2018.

The Hellenic Republic Bank Support Plan comprised three pillars:

Pillar I: up to €5 billion in non-dilutive capital designed to increase Tier I ratios, in the form of preference shares with a 10 per cent. fixed return; in the framework of Pillar I, Eurobank issued 345,500,000 non-transferable, non-voting, redeemable preference shares (the "Preference Shares") at a nominal value of €2.75 per Preference Share (i.e., of a total value of approximately €950 million), which were fully subscribed by the Hellenic Republic through the transfer to the Bank of an equivalent amount of Greek Government bonds which matured on 21 May 2014, in accordance with Law 3723/2008. The Bank redeemed in full the the Preferences Shares held by the Hellenic Republic of total nominal value €950,125,000 on 17 January 2018, in accordance with the provisions of par. 1a, article 1, of Law 3723/2008 and pursuant to the decisions of its Extraordinary General Meeting of its common shareholders as at 3 November 2017.

Pillar II: Up to €85 billion in Hellenic Republic guarantees; in the framework of Pillar II, Eurobank issued bonds guaranteed by the Hellenic Republic with a total nominal value of €2,500 million as of 31 December 2016 which were held by the Bank and matured on 30 October 2017.

Pillar III: Up to €8 billion in debt instruments issuable by the Greek Public Debt Management Agency (the "PDMA") until 30 June 2015 to participating banks meeting the minimum capital adequacy requirements set by the Bank of Greece; in the framework of Pillar III, as at 30 June 2015, the face value of the outstanding balance of Greek government bonds ("GGBs") that the Bank borrowed under Pillar III was €1,918 million, all of which was returned in full in August 2015.

The Bank, following the maturity on 30 October 2017, of the remaining bonds guaranteed by the Greek Government under Pillar II and the full redemption of its preferences shares held by the Greek State (under Pillar I) on January 17, 2018, pursuant to the resolution of the Extraordinary General Meeting of the Shareholders (ordinary and preference) dated 3 November 2017, does not participate in the Greek Economy Liquidity Support Program under Law 3723/2008, as amended and supplemented.

For more information concerning the Hellenic Republic Bank Support Plan, see "Regulation and Supervision of Banks in Greece—The Hellenic Republic Bank Support Plan"and Eurobank Ergasias S.A. - End of participation in the Greek Economy Liquidity Support Program (Law 3723/2008)".

The HFSF

The First Economic Adjustment Programme required the establishment of the HFSF, funded by the Greek Government out of the resources made available by the IMF and the EU, to ensure adequate capitalisation of the Greek banking system. The HFSF was established in July 2010 pursuant to Law 3864/2010 as a private law entity, with the initial objective of helping to maintain the stability of the Greek banking system by providing capital support to credit institutions established in Greece and meeting certain eligibility criteria. The scope, governance, terms, conditions and processes for the provision of capital support by the HFSF, as well as the type of such support under Law 3864/2010 has been amended by various laws, in 2011, 2012, 2013, 2014, 2015, 2016 and most recently in 2017 (pursuant to Law 4456/2017) establishing the new recapitalisation framework (see "Regulation and Supervision of Banks in the Hellenic Republic – The HFSF").

Recapitalisation of the Four Systemic Banks 2012-2014

In March 2012, the Bank of Greece prepared a strategic review of the Greek banking sector. The review evaluated the sustainability prospects of Greek banks by applying a wide set of supervisory and operational criteria and using financial and supervisory data, as well as data from BlackRock's 2011 diagnostic assessment of the Greek banking sector commissioned by the Bank of Greece (the "BlackRock Diagnostic Assessment"). The results of the review concluded that Greece had four systemic banks (National Bank of Greece, Eurobank, Alpha Bank and Piraeus Bank) which were deemed fit to receive public support (the "Systemic Banks"). In May 2012, the Bank of Greece estimated that the aggregate capital required to support all Greek banks so as to meet the minimum required levels of Core Tier 1 capital from 2012 to 2014 was €40.5 billion, out of which €27.5 billion was estimated to be required for the Systemic Banks. The Bank's capital needs were estimated to be approximately €5.8 billion. The Bank of Greece re-confirmed these estimates in October 2012 and December 2012 and used them as the basis for determining that €50 billion would be appropriate to cover the recapitalisation and restructuring costs of the Greek banking sector. Each of the Systemic Banks completed their recapitalisations in the first half of 2013. In that context, the Bank received capital support of approximately €5.8 billion exclusively from the HFSF, following which the HFSF owned approximately 95 per cent. of the shares in the Bank, and as a result the HFSF's voting rights in the Bank were subject to no restrictions at the time.

Pursuant to the terms of the May 2013 Memorandum of Economic and Financial Policies under the Second Economic Adjustment Programme, the Bank of Greece conducted a follow-up stress test on the basis of data as at 30 June 2013 to update its assessment of the capital needs of Greek banks on a consolidated basis and mandated BlackRock to conduct a second independent diagnostic exercise on the loan portfolios of Greek banks, including updated stress tests. In March 2014, the Bank of Greece published the results of the BlackRock Updated Exercise and announced that the capital needs of all Greek banks amounted to €6.4 billion under the baseline scenario and €9.4 billion under the adverse scenario. Each of the Systemic Banks completed their recapitalisations in the first half of 2014. In that context, the Bank raised approximately €2.9 billion exclusively from private investors, following which the HFSF owned approximately 35 per cent. of the Bank's Ordinary Shares, and as a result the exercise of the voting rights that the HFSF currently holds in the Bank is subject to restrictions.

European Central Bank's Comprehensive Assessment

Please see "Eurobank Ergasias S.A. – Recapitalisation - *Eurobank's share capital increases*".

Eurobank's capital enhancement actions – Stress tests 2018

Please see "Eurobank Ergasias S.A. – Recapitalisation - *Eurobank's share capital increases*".

The First Economic Adjustment Programme, the Second Economic Adjustment Programme, the PSI, the Buy-Back Programme and the Third Economic Adjustment Programme

From May 2009 onwards Greece implemented thre consecutive Economic Adjustment Programmes. The First Economic Adjustment Programme started in in May 2009 and lasted until February 2012. According to the European Commission the total funds disbursed to Greece under the first programme were at €73 billion out of a total capacity of €110 billion. Among the significant structural reforms implemented in the context of that programme was the creation of the Hellenic Financial Stability Fund (HFSF). The implementation of the Second Economic Adjustment Programme started in February 2012 and ended June 2015. According to the ESM the total funds disbursed under the second programme were at €130.9 billion out of a total funding capacity of €164.5 billion. In February 2012 the restructuring of the Greek debt was decided and implemented under the framework of the Private Sector Involvement (PSI) together with a series of measures aiming to further improve the sustainability of Greek public debt. At the end of 2012 the implementation of a debt boy back contributed significantly on the sustainability of Greek debt conditional on the then current forecasts for medium term the real GDP, the gross financing needs of the country, etc. Public debt was expected at 175 per cent. of GDP in 2016, 124 per cent. in 2020 and below 110 per cent. in 2022. At the same time, an agreement was reached to extend the programme and delay the targeted primary surplus of 4.5 per cent. of GDP from 2014 to 2016. Two bank recapitalisations took place in April 2013 and April 2014 mainly in order to cover the losses created to banks' capital by a) the PSI estimated by the Bank of Greece at approximately €37.7 billion and from the increasing Non Performing Loans (NPLS) as a result of the unprecedented recession. The latter increased from 4.9 per cent. of total loans at the end of 2007 to 29.9 per cent. at the end of 2012 After the successful conclusion of five programme reviews, the extension of the Second Economic Adjustment Programme that the newly elected Greek Government managed to achieve under the 20 February 2015 Agreement expired on 30 June 2015 without a successful conclusion of the final review or a new extension. The prolonged negotiations of the Greek Government with the Institutions until the expiration of the programme extension on 30 June 2015, led to increased uncertainty and significant deposit outflows. With banks' liquidity buffers falling to significantly low levels, the Greek Government on 28 June 2015 introduced restrictions on banking transactions (capital controls) and a temporary bank holiday, in order to contain further liquidity outflows. Following the termination of the bank holiday in Greece on 20 July 2015 there has been a gradual relaxation of capital controls. After the imposition of capital controls and a referendum that led to the rejection of the initial Eurozone

proposal, the Greek government and the institutions agreed on a new 3-year ESM Programme – the Third Economic Adjustment Programme. The latter was finalised in mid-August 2015 and included a financing envelope of €86.5 billion with an average maturity of 32.5 years, the same average maturity with the outstanding EFSF loan. A new bank recapitalisation took place in November 2015 with funds from the aforementioned financial envelope, mainly as a result of the increase in NPLs created by the uncertainty in the first six months of 2015. According to the Bank of Greece, the NPLS at the end of 2015 were at 43.5 per cent at the end of 2015 from 40.8 per cent. at the end of 2014. Until May 2018 the Greek Government managed to successfully complete – although with significant delays that created uncertainty and had a negative effect on the real economy – 3 concecutive reviews of the programme. According to the ESM the total amount disbursed to Greece so far amounts to €51.6 billion out of a total ESM loan of €86.5 billion. From these a cash-buffer of *circa* €27.4 billion will remain unused by the end of the third programm in August 2018 mainly as a result of lower bank recapitalisation needs and the better than previously expected 2015, 2016 and 2017 primary surplus realisations. The amount that is expected to be disbursed to Greece conditional on the successful conclusion of the 4th (and final) review of the programme is expected at *circa* €11.7 billion.

As of early May 2018, there is no agreement on the post – programme relation between Greece and the Institutions. The Greek Government aims to continue its market access programme – two new bond issuances and a debt swap completed since mid-2017 – in the post programme period. According to the most recent ESM Compliance report (March 2018), conditional on the continuation of the Third Economic Adjustment Programme remaining funding, the Greek government aims to create a cash buffer of *circa* €16.4 billion that would facilitate its market access for twelve months after the end of the programme (August 2018). The sovereign's credit rating (Moody's: B3, Standard & Poor's: B, Fitch: B) is still significantly below the investment grade but a series of recent upgrades and the positive developments regarding the program implementation led to the improvement of the yield off the Greek 10-YR bonds by *circa* 26 per cent. between late April 2018 and the end of November 2017, just before the staff level agreement achieved in the 4 December 2017 Eurogroup. However, the 2017 real GDP growth reading was the second positive reading since the end of 2007 – the 2014 real GDP growth rate was at 0.7 per cent. and the highest GDP growth in ten years. Note that the cumulative real GDP growth losses between 2008 and 2016 were at 26.4 per cent.

The IMF conditional on its internal procedures is expected to participate in the Third Economic Adjustment Programme but it still considers the Greek public debt as unsustainable. According to the 22 January 2018 Eurogroup's decisions the further quantification of the medium-term debt relief measures and their implementation, if necessary, is expected to take place after the successful conclusion of the current programme in August 2018. The clarification of the medium-term debt relief measures constitutes a necessary precondition for the participation of the IMF on the current programme. Finaly, the ECB requires a quantification of the medium-term debt relief measures and sustainable debt for the participation of Greece in the PSPP (QE) programme, conditional that the latter is still in place at the time of the quantification.

Corrective Actions in the Event of Deviations from the Third Economic Adjustment Programme

Fiscal adjustment has been extended in time to reduce the impact of the ongoing recession in Greece. According to the most recent ELSTAT data, Greece's 2017 primary surplus for 2017 was at 4.2 per cent. of GDP in programme terms, outperforming both the respective 2018 Budget forecast of 2.4 per cent. of GDP and the respective Third Economic Adjustment Program primary balance target of 1.8 per cent. of GDP. As a result, 2017 was the fourth year with a positive primary balance since 2013 – 2014 registered a zero primary balance. According to recent data from the IMF (World Economic Outlook, April 2018), Greece recorded a positive primary surplus of approximately 3.8 per cent. of GDP at the end of 2016. Greece managed to achieve positive primary surpluses for 2013 and 2015 at 0.4 per cent.and 0.7 per cent. of GDP respectively. The primary balance for 2014 was approximately zero. The primary balance in 2009 was at -10.1 per cent. of GDP. According to the

2018 Budget the 2018 primary balance is expected at 3.8 per cent. of GDP significantly higher compared to the respective Third Economic Adjustment Programme of 3.5 per cent. of GDP.The primary balance figures are based on the respective definition of the Third Economic Adjustment Programme and not in the ESA 2010 definition (i.e., without accounting for support regarding the financial institutions and the revenues from the Eurosystem's SMP and GGBs held by central banks of the Eurozone Member States in their investment portfolio (ANFA GGB holdings)). On the real economy developments now, in 2017 the real GDP rate, according to the most recent ELSTAT data was at 1.4 per cent. from -0.2 per cent. in 2016 and -0.3 per cent. in 2015. The 2017 real GDP growth reading was below the respective European Commission (EC) 2017 Autumn forecast of 1.6 per cent. The EC 2018 Spring forecast for 2018 and 2019 is at 1.9 per cent and 2.3 per cent respectively (EC 2018 Winter forecast for 2018 and 2019 at 2.5 per cent. and 2.5 per cent. respectively.

The Greek government has developed a strategy to achieve the targeted primary surpluses for the 2018 – 2023 period, ie 3.82 per cent. of GDP for 2018 and 3.5 per cent of GDP each year up to 2023. The Greek government expects that income will increase when the economy continues the strong recovery that started in 2017, whilst benefits are also expected from the stronger and more efficient administration of revenue collection procedures. The automatic fiscal correction mechanism legislated in the context of the first review of the Third Economic Adjustment programme had the basic aim of correcting any deviations between the targeted and the actual primary surplus for the period until the end of the current programme. The measures aiming to correct such deviations in the post – programme period (post 2018) are now under discussion. In addition, Greek public sector efficiency is expected to improve through the reforms implemented so far and those that will be implemented by the end of the programme as well as the period beyond.

ERB HELLAS PLC

Introduction

ERB Hellas PLC was incorporated as EFG Finance PLC under the laws of England and Wales on 29 June 1999 as a public limited company with number 3798157. On 16 July 1999 the name of EFG Finance PLC was changed to EFG Hellas PLC and on 11 October 2012 was changed to ERB Hellas PLC. The registered office of ERB Hellas PLC is at 2nd Floor, Devonshire House, 1 Mayfair Place, London W1J 8AJ, United Kingdom and its telephone number is +44 (0) 20 7009 1800.

ERB Hellas PLC was acquired by EFG Eurobank S.A. (now Eurobank Ergasias S.A. or the Bank) on 30 September 1999 and the share capital of ERB Hellas PLC continues to be held, directly or indirectly, by the Bank. ERB Hellas PLC does not, as at the date of this Prospectus, have any subsidiaries.

Directors

The Directors of ERB Hellas PLC and their respective business are as follows:

Name	*Business Address*
Mr. D. Arhodidis	3 Valaoritou Street, Athens, GR 10671
Mr. A. Ioannidis	8 Othonos Street, Athens, GR 10557
Mr. N. Laios	8 Othonos Street, Athens, GR 10557
Ms D. Spyrou	8 Iolkou Street, Nea Ionia, GR 14234

Apart from the activities pertaining to his/her function and position, no Director conducts any activities outside ERB Hellas PLC and the Group which are significant with respect to ERB Hellas PLC.

The Secretary of ERB Hellas PLC is Mrs. H. Fotineas.

ERB Hellas PLC has no employees or non-executive Directors.

ERB Hellas PLC is not aware of any potential conflicts of interest between the duties to ERB Hellas PLC of each of the members of the Board of Directors and his/her private interests or other duties nor of any kind of personal interest of each such member of the Board of Directors that is material to the issue of Instruments under the Programme.

To the best of its knowledge and belief, ERB Hellas PLC complies with the laws and regulations of the United Kingdom regarding corporate governance.

ERB Hellas PLC does not have an audit committee.

Activities

The share capital of ERB Hellas PLC was acquired, directly or indirectly, by the Bank (formerly EFG Eurobank S.A.) with the intention that ERB Hellas PLC should operate as a financing vehicle for the Bank and its subsidiaries. ERB Hellas PLC is a finance company whose sole business is raising debt to be deposited with the Bank on an arm's length basis. ERB Hellas PLC is accordingly dependent on the Bank paying interest on the deposited balances. Under some issues, ERB Hellas PLC also enters into swap arrangements with third parties, with the Bank acting as credit support provider.

In August 2001 ERB Hellas PLC began issuing commercial paper. The notes and commercial paper outstanding have been guaranteed by the Bank. The net proceeds of the notes and commercial paper issued have been applied by ERB Hellas PLC to meet the general financing requirements of its immediate parent, the Bank, and its subsidiaries.

Share Capital

The authorised and issued share capital of ERB Hellas PLC is £50,000. The allotted and paid-up share capital of ERB Hellas PLC is £12,500, divided into 50,000 ordinary shares of a nominal value of £1 each, paid-up as to 25p each. The paid-up share capital of £12,500 is reflected in the financial statements as €19,216 based on the prevailing exchange rate at 31 December 2002 of €1/£0.6505. The entire issued share capital of ERB Hellas PLC is, directly and indirectly, owned by the Bank.

Corporate Objects

The corporate objects of ERB Hellas PLC are set out in paragraph 4 on page 1 of its Memorandum of Association. They include, but are not limited to, carrying on the business of a general commercial company or any trade or business whatsoever and borrowing or raising money by any method and obtaining any form of credit or finance (including by the issuing securities of any kind). A copy of the Memorandum of Association is available for inspection at the registered office of ERB Hellas PLC and at the specified office of the Issue and Paying Agent and the Paying Agent in Luxembourg.

Dividends

No dividend was paid in 2017 and there is no subsequent decision of the BoD for distribution of dividend (2016: nil ths).

ERB HELLAS (CAYMAN ISLANDS) LIMITED

Introduction

ERB Hellas (Cayman Islands) Limited was incorporated under the laws of the Cayman Islands on 26 April 2002 as an exempted company with limited liability with number CR 117363. On 4 October 2012, the name of EFG Hellas (Cayman Islands) Limited was changed to ERB Hellas (Cayman Islands) Limited. The registered office of ERB Hellas (Cayman Islands) Limited is at the offices of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111 Cayman Islands and its telephone number is c/o Codan Trust Company (Cayman) Limited +1 (345) 949 1040.

At a meeting of the Board of Directors of ERB Hellas (Cayman Islands) Limited held on 20 July 2017, the Directors approved the transfer of ERB Hellas (Cayman Islands) Limited shares from ERB New Europe Funding III Ltd to the Bank. The entire issued share capital of ERB Hellas (Cayman Islands) Limited is held directly by the Bank. ERB Hellas (Cayman Islands) Limited does not, as at the date of this Prospectus, have any subsidiaries.

Directors

The Directors of ERB Hellas (Cayman Islands) Limited and their respective business addresses are as follows:

Name	*Business Address*
Mr. D. Arhodidis	3 Valaoritou Street, Athens, GR 10671
Mr. A. Ioannidis	8 Othonos Street, Athens, GR 10557
Mr. N. Laios	8 Othonos Street, Athens, GR 10557
Ms D. Spyrou	8 Iolkou Street, Nea Ionia, GR 14234

Apart from the activities pertaining to his/her function and position, no Director conducts any activities outside ERB Hellas (Cayman Islands) Limited and the Group which are significant with respect to ERB Hellas (Cayman Islands) Limited.

The Secretary of ERB Hellas (Cayman Islands) Limited is Mrs. H. Fotineas.

ERB Hellas (Cayman Islands) Limited has no employees or non-executive Directors.

ERB Hellas (Cayman Islands) Limited is not aware of any potential conflicts of interest between the duties to ERB Hellas (Cayman Islands) Limited of each of the members of the Board of Directors and his/her private interests or other duties nor of any kind of personal interest of each such member of the Board of Directors that is material to the issue of Instruments under the Programme.

To the best of its knowledge and belief, ERB Hellas (Cayman Islands) Limited complies with the Companies Law (2018 Revision) of the Cayman Islands regarding corporate governance.

ERB Hellas (Cayman Islands) Limited does not have an audit committee.

Activities

The share capital of ERB Hellas (Cayman Islands) Limited was acquired, directly or indirectly, by the Bank with the intention that ERB Hellas (Cayman Islands) Limited should operate as a financing vehicle for the Bank and its subsidiaries.

ERB Hellas (Cayman Islands) Limited is a finance company whose sole business is raising debt to be deposited with the Bank on an arm's length basis. ERB Hellas (Cayman Islands) Limited is accordingly dependent on the Bank paying interest on the deposited balances. In addition, some issues are coupled with a swap arrangement with the Bank, which are on an arm's length basis.

The notes outstanding have been guaranteed by the Bank. The net proceeds of the notes have been applied by ERB Hellas (Cayman Islands) Limited to meet the general financing requirements of its immediate parent, the Bank, and its subsidiaries.

In March 2008 ERB Hellas (Cayman Islands) Limited established a U.S.$2,000,000,000 programme for the issuance of debt instruments to qualified investment buyers in the United States. As at the date of this Prospectus, no notes have been issued under this programme.

Share Capital

The authorised share capital of ERB Hellas (Cayman Islands) Limited amounts to U.S.$150,050,000, of which: (i) U.S.$50,000 is divided into 50,000 ordinary shares of a nominal or par value of U.S.$1 each and (ii) U.S.$150,000,000 is divided into 1,500 preference shares of a nominal or par value of U.S.$100,000 each. The issued share capital of ERB Hellas (Cayman Islands) Limited is 50,000 ordinary shares of a nominal value of U.S.$1 each. The allotted and paid up share capital is U.S.$15,001, divided into 49,999 ordinary shares of a nominal value of U.S.$1 each, paid up as to U.S.$0.30 each and one ordinary share of a nominal or par value of U.S.$1, fully paid up. The paid up share capital of U.S.$15,001 is reflected in the financial statements as €16,436 based on the prevailing exchange rate of €1/U.S.$0.9127 on the date of issue. The entire issued share capital of ERB Hellas (Cayman Islands) Limited is held directly by the Bank.

Corporate Objects

The corporate objects of ERB Hellas (Cayman Islands) Limited are set out in paragraph 3 on page 1 of its Memorandum of Association. The objects for which ERB Hellas (Cayman Islands) Limited is established are unrestricted and the company shall have full power and authority to carry out any object not prohibited by the Companies Law (2018 Revision) of the Cayman Islands or as the same may be revised from time to time, or any other law of the Cayman Islands. A copy of the Memorandum of Association is available for inspection at the registered office of ERB Hellas (Cayman Islands) Limited and at the specified office of the Issue and Paying Agent and the Paying Agent in Luxembourg.

Dividends

Since the date of incorporation of ERB Hellas (Cayman Islands) Limited, no dividends have been declared or paid.

FORM OF THE DEED OF GUARANTEE

The following is the form of the Deed of Guarantee of the Guarantor:

THIS DEED OF GUARANTEE is made on 18 May 2017 in London, England

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BY

(1) **EUROBANK ERGASIAS S.A.** (the "Guarantor")

IN FAVOUR OF

(2) **THE HOLDERS** for the time being and from time to time of the Instruments referred to below (each a "Holder"); and

(3) **THE ACCOUNTHOLDERS** (as defined in the Deed of Covenant described below) (together with the Holders, the "Beneficiaries").

WHEREAS

(A) ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited (each an "Issuer" and together the "Issuers", and references in this Deed of Guarantee to the "relevant Issuer" shall, in relation to any Instrument, be references to the Issuer of such Instrument) have established a Programme (the "Programme") for the issuance of instruments (the "Instruments") in connection with which they have entered into an amended and restated dealership agreement dated 18 May 2017 (the "Dealership Agreement"), an amended and restated issue and paying agency agreement dated 18 May 2017 (the "Agency Agreement") and in the case of ERB Hellas PLC has executed a deed of covenant dated 18 May 2017 and in the case of ERB Hellas (Cayman Islands) Limited has executed a deed of covenant dated 18 May 2017 (each a "Deed of Covenant" and references in this Deed of Guarantee to "the Deed of Covenant" are, in relation to the relevant Issuer, to the Deed of Covenant executed by such Issuer).

(B) Instruments may be issued on a listed or unlisted basis. The Issuers have made an application for PD Instruments issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be admitted to the Official List of the Luxembourg Stock Exchange.

(C) In connection with such application, the Issuers have prepared a prospectus in connection with the Programme (the "Prospectus", which expression includes any supplements to the Prospectus and any further prospectus prepared in connection with the listing of the Instruments on any other stock exchange on which any Instruments may from time to time be listed together with any information incorporated therein by reference).

(D) The Guarantor has agreed to guarantee the payment of all sums expressed to be payable from time to time by the relevant Issuer to Holders in respect of the Instruments issued by such Issuer and to Accountholders in respect of the Deed of Covenant.

NOW THIS DEED OF GUARANTEE WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

All terms and expressions which have defined meanings in the Prospectus, the Dealership Agreement, the Agency Agreement or a Deed of Covenant shall have the same meanings in this Deed of Guarantee except where the context requires otherwise or unless otherwise stated.

1.2 Clauses

Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.

1.3 Other agreements

All references in this Deed of Guarantee to an agreement, instrument or other document (including the Prospectus, the Dealership Agreement, the Agency Agreement and a Deed of Covenant) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time. In addition, in the context of any particular Tranche of Instruments, each reference in this Deed of Guarantee to the Prospectus shall be construed as a reference to the Prospectus as amended by the applicable Final Terms or applicable Pricing Supplement, as the case may be.

1.4 Statutes

Any reference in this Deed of Guarantee to a statute, to any provision thereof or to any statutory instrument, order or regulation made thereunder shall be construed as a reference to such statute, provision, statutory instrument, order or regulation as the same may have been, or may from time to time be, amended or re-enacted.

1.5 Headings

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Guarantee.

1.6 Benefit of Deed of Guarantee

Any Instruments issued under the Programme before the date of this Deed of Guarantee shall not have the benefit of this Deed of Guarantee but shall have the benefit of any preceding guarantee relating to the Programme as provided therein. Any Instruments issued under the Programme on or after the date of this Deed of Guarantee unless otherwise expressly provided in the applicable Final Terms or applicable Pricing Supplement, as the case may be, relating to such Instruments shall have the benefit of this Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to the Programme (unless expressly so provided in any such subsequent guarantee).

2. GUARANTEE AND INDEMNITY

2.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees:

2.1.1 *The Instruments:* to each Holder the due and punctual payment of all sums from time to time payable by the relevant Issuer in respect of the relevant Instrument as and when the same become due and payable and accordingly undertakes to pay to such Holder, forthwith upon the demand of such Holder and in the manner and currency prescribed by the Conditions for payments by such Issuer in respect of such Instrument, any and every sum or sums which such Issuer is at any time liable to pay in respect of such Instrument and which such Issuer has failed to pay; and

2.1.2 *The Direct Rights:* to each Accountholder the due and punctual payment of all sums from time to time payable by the relevant Issuer to such Accountholder in respect of the Direct Rights as and when the same become due and payable and accordingly undertakes to pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by such Issuer in respect of the Instruments, any and every sum or sums which such Issuer is at any time liable to pay to such Accountholder in respect of the Instruments and which such Issuer has failed to pay.

2.2 **Indemnity**

The Guarantor irrevocably undertakes to each Beneficiary that, if any sum referred to in Clause 2.1 is not recoverable from the Guarantor thereunder for any reason whatsoever (including, without limitation, by reason of any Instrument, either Deed of Covenant or any provision thereof being or becoming void, unenforceable or otherwise invalid under any applicable law), then (notwithstanding that the same may have been known to such Beneficiary) the Guarantor will, forthwith upon demand by such Beneficiary, pay such sum by way of a full indemnity in the manner and currency prescribed by the Conditions. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action if any sum is not recoverable under Clause 2.1.

2.3 **Place of Performance**

Notwithstanding the foregoing provisions of Clauses 2.1 and 2.2 hereof, it is specifically agreed that the place of performance of any and all obligations of the Guarantor under this Deed of Guarantee shall be London, England and consequently any and all payments of the Guarantor under this Deed of Guarantee shall be made out of or to the credit of bank accounts maintained with banks legally operating and situated in London, England.

3. COMPLIANCE WITH THE CONDITIONS

The Guarantor covenants in favour of each Beneficiary that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions in relation to those Instruments where such Beneficiary is a Holder thereof or an Accountholder in respect thereof.

4. PRESERVATION OF RIGHTS

4.1 **Principal obligor**

The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.

4.2 **Continuing obligations**

The obligations of the Guarantor herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the relevant Issuer's obligations under or in respect of any Instrument or the Deed of Covenant and shall continue in full force and effect for so long as the Programme remains in effect and thereafter until all sums due from such Issuer in respect of the Instruments and under the Deed of Covenant have been paid, and all other actual or contingent obligations of such Issuer thereunder or in respect thereof have been satisfied, in full.

4.3 **Obligations not discharged**

Neither the obligations of the Guarantor herein contained nor the rights, powers and remedies conferred upon the Beneficiaries by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:

4.3.1 *Winding-up:* the winding-up, dissolution, administration or re-organisation of the relevant Issuer or any change in its status, function, control or ownership;

4.3.2 *Illegality:* any of the obligations of the relevant Issuer under or in respect of any Instrument or the Deed of Covenant being or becoming illegal, invalid, unenforceable or ineffective in any respect;

4.3.3 *Indulgence:* time or other indulgence being granted or agreed to be granted to the relevant Issuer in respect of any of its obligations under or in respect of any Instrument or the Deed of Covenant;

4.3.4 *Amendment:* any amendment to, or any variation, waiver or release of, any obligation of the relevant Issuer under or in respect of any Instrument or the Deed of Covenant or any security or other guarantee or indemnity in respect thereof; or

4.3.5 *Analogous events:* any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the Beneficiaries or any of them by this Deed of Guarantee or by law.

4.4 **Settlement conditional**

Any settlement or discharge between the Guarantor and the Beneficiaries or any of them shall be conditional upon no payment to the Beneficiaries or any of them by the relevant Issuer or any other person on the relevant Issuer's behalf being avoided or reduced by virtue of any laws relating to bankruptcy, insolvency, liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Beneficiaries shall be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

4.5 **Exercise of Rights**

No Beneficiary shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

4.5.1 *Demand:* to make any demand of the relevant Issuer, save for the presentation of the relevant Instrument;

4.5.2 *Take action:* to take any action or obtain judgment in any court against the relevant Issuer; or

4.5.3 *Claim or proof:* to make or file any claim or proof in a winding-up or dissolution of the relevant Issuer,

and (save as aforesaid) the Guarantor hereby expressly waives presentment, demand, protest and notice of dishonour in respect of any Instrument.

4.6 **Deferral of Guarantor's rights**

The Guarantor agrees that, so long as any sums are or may be owed by the relevant Issuer in respect of any Instrument or under the Deed of Covenant or the relevant Issuer is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantor will not exercise any right which the Guarantor may at any time have by reason of the performance by the Guarantor of its obligations hereunder:

4.6.1 *Indemnity:* to be indemnified by the relevant Issuer;

4.6.2 *Contribution:* to claim any contribution from any other guarantor of the relevant Issuer's obligations under or in respect of any Instrument or the Deed of Covenant; or

4.6.3 *Subrogation:* to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Beneficiary against the relevant Issuer in respect of amounts paid by the Guarantor under this Deed of Guarantee or any security enjoyed in connection with any Instrument or the Deed of Covenant by any Beneficiary.

4.7 **Unsubordinated Obligations**

The Guarantor irrevocably undertakes that its obligations hereunder in respect of Instruments specified in the applicable Final Terms or applicable Pricing Supplement, as the case may be, as Unsubordinated Instruments will constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject to Condition 5) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.

4.8 **Subordinated Obligations**

Unless otherwise expressly provided in the applicable Final Terms or applicable Pricing Supplement, as the case may be, relating to a Tranche of Instruments, the Guarantor irrevocably undertakes that its obligations hereunder in respect of Instruments specified in the applicable Final Terms or applicable Pricing Supplement, as the case may be, as Subordinated Instruments will constitute direct, general, unconditional, subordinated and unsecured obligations of the Guarantor which will be subordinated to the claims of Senior Creditors of the Guarantor in that payments hereunder (whether in the winding-up of the Guarantor or otherwise) will be conditional upon the Guarantor being solvent at the time of payment by the Guarantor and in that no amount shall be payable hereunder (whether in the winding-up of the Guarantor or otherwise) except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose, the Guarantor shall be considered to be solvent if it can pay principal and interest in respect of the Instruments and still be able to pay its outstanding debts to Senior Creditors of the Guarantor, which are due and payable.

In case of dissolution, liquidation and/or bankruptcy of the Guarantor the Holders will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and the Holders irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor in such circumstances.

5. DEPOSIT OF DEED OF GUARANTEE

This Deed of Guarantee shall be deposited with and held by the Issue and Paying Agent for so long as the Programme remains in effect and thereafter until the date which is two years after all the obligations of each Issuer under or in respect of Instruments issued by it (including, without limitation, such Issuer's obligations under the Deed of Covenant) have been discharged in full. The Guarantor hereby acknowledges the right of every Beneficiary to the production of this Deed of Guarantee.

6. STAMP DUTIES

The Guarantor shall pay all stamp, registration and other similar taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall, to the extent permitted by law, indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, reasonable legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. BENEFIT OF DEED OF GUARANTEE

7.1 Deed poll

This Deed of Guarantee shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

7.2 Benefit

This Deed of Guarantee shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantor.

7.3 Assignment

The Guarantor shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

8. PARTIAL INVALIDITY

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

9. NOTICES

9.1 Address for notices

All notices, demands and other communications to the Guarantor hereunder shall be made in writing (by letter, e-mail or fax) and shall be sent to the Guarantor at:

EUROBANK ERGASIAS S.A.

Address: 8 Othonos Street
Athens 105 57

Fax: +30 210 3337 190
E-mail: fundingorigination@eurobank.gr
Attention: Global Markets Division

or to such other address, e-mail address or fax number or for the attention of such other person or department as the Guarantor has notified to the relevant Holders in the manner prescribed for the giving of notices in connection with the relevant Instruments.

9.2 Effectiveness

Every notice, demand or other communication sent in accordance with Clause 9.1 (*Address for notices*) shall be deemed received (if by letter) when delivered, (if by e-mail) when sent, subject to no delivery failure notification being received by the sender within 24 hours of the time of sending, or (if by fax) when an acknowledgement of receipt is received. However if a notice, demand or other communication is received after business hours on any business day (in the place of the Guarantor) or on a day which is not a business day in the place of receipt it shall be deemed to be received and become effective at the opening of business on the next business day in the place of receipt. Every communication shall be irrevocable save in respect of any manifest error in it.

10. LAW AND JURISDICTION

10.1 Governing law

This Deed of Guarantee (other than Clause 4.8), and any non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English law. Clause 4.8 shall be governed by, and construed in accordance with, Greek law.

10.2 Jurisdiction

The Guarantor agrees for the benefit of the Beneficiaries that the High Courts of Justice of England in London shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which arises out of or in connection with this Deed of Guarantee (including a proceeding or a dispute relating to any non-contractual obligations arising out of or in connection with this Deed of Guarantee) (respectively, “Proceedings” and “Disputes”) and, for such purposes, irrevocably submits to the jurisdiction of such courts.

10.3 Appropriate forum

The Guarantor irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

10.4 **Service of process**

The Guarantor agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to it at ERB Hellas PLC, 2nd Floor, Devonshire House, 1 Mayfair Place, London W1J 8AJ. If the appointment of the person mentioned in this Clause 10.4 ceases to be effective, the Guarantor shall forthwith appoint a further person in England to accept service of process on its behalf in England and notify the name and address of such person to the Issue and Paying Agent and, failing such appointment within fifteen days, any Beneficiary shall be entitled to appoint such a person by written notice to the Guarantor. Nothing in this paragraph shall affect the right of any Beneficiary to serve process in any other manner permitted by law.

10.5 **Non-exclusivity**

The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Beneficiaries to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

10.6 **Statutory Loss Absorption Powers**

So far as Condition 23 applies to this Deed of Guarantee, the provisions of Condition 23 shall apply, *mutatis mutandis*, to this Deed of Guarantee.

11. MODIFICATION

The Agency Agreement contains provisions for convening meetings of Holders to consider matters relating to Instruments, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

IN WITNESS whereof this Deed of Guarantee has been executed by the Guarantor and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a deed)
by **EUROBANK ERGASIAS S.A.**)

acting by its duly authorised attorney)

[name]

in the presence of:

Signature of witness:

Name of witness:

Address of witness:

Occupation of witness:

TAXATION

HELLENIC REPUBLIC

The following is an overview of certain material Greek tax consequences relating to the Instruments and to the Deed of Guarantee. This discussion does not purport to deal with all the tax consequences applicable to all possible categories of investors, some of which may be subject to special rules. Further, it is not intended as tax advice to any particular investor and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations relating to the Instruments and to the Deed of Guarantee. The below overview is based upon Greek tax law as currently in force, as well as practice and interpretation available, at the date hereof, which is subject to change at any time, possibly with retroactive effect. The Greek taxation framework was significantly amended and reformed by virtue of Greek Law 4172/2013 as amended and in force (the "Greek Income Tax Code"). All regulations issued under the previous income tax code were repealed, thus past administrative practice may not be followed going forward. As a result, limited precedent on how the Tax Authorities will treat the tax events described in the majority of the following analysis exists. Additionally, the following does not touch upon procedural requirements such as the filing of a tax declaration or the supporting documentation required. Holders of Instruments who are in doubt as to their personal tax position should consult their professional advisers.

Also, the discussion below is limited to the payment of interest under Instruments the terms of which provide that the redemption amount may not be less than the principal amount thereof upon their issue and does not address payment of interest under Instruments (including, for the avoidance of doubt, Reference Item Linked Instruments such as Equity Linked Instruments and/or Index Linked Instruments as specified in the applicable Final Terms) in relation to which the Maturity Redemption Amount payable upon redemption may be less than the nominal amount invested in such Instruments.

Greek withholding tax

Payments of interest under the Instruments

Payments of interest by ERB Hellas PLC or by ERB Hellas (Cayman Islands) Limited

In relation to payments made to holders of Instruments (the "Holder") issued by ERB Hellas PLC or by ERB Hellas (Cayman Islands) Limited under the Instruments which represent accrued interest on the Instruments:

Provided that the payment is made through a Greek paying agent, a withholding tax of 15 per cent. will be imposed on interest payments made to holders of Instruments who are tax residents in Greece and on Holders who maintain, for tax purposes, a permanent establishment in Greece and the interest is attributed/paid to that permanent establishment. The withholding will be applied on the date of payment of the interest under the Instruments or on any date on which a Holder sells any Instruments with reference to the interest accrued during the relevant Interest Period up to the time of such sale. In any case, the tax basis for withholding is the amount of interest accrued from the date the Holder acquired the Instruments to the following Interest Payment Date or the interest accrued from the last interest payment date to the date of sale thereof if no Interest Payment Date has occurred, in each case, determined with reference to the nominal value of the Instrument sold. Such withholding exhausts the income tax liability of Greek tax residents who are individuals. If the payment is not made through a Greek paying agent, so that withholding is not made, the taxable person will pay income tax at a rate of 15 per cent. in the context of her/his annual income tax return.

Interest from the Instruments will be subject to a further tax called “solidarity contribution.” The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

And

No withholding tax on account of Greek tax laws will be imposed on holders who are not Greek tax residents and do not maintain, for tax purposes, a permanent establishment in Greece and on holders that maintain a permanent establishment in Greece, but the interest is not attributed/paid to that permanent establishment, as no income is being generated in Greece.

Payments of interest by the Bank

Payments made to Holders of Instruments issued by the Bank under the Instruments are subject to tax as follows, depending on the circumstances of the Holder:

a withholding tax of 15 per cent., will be imposed on interest payments made to Holders of Instruments who are tax residents in Greece and on Holders who maintain for tax purposes a permanent establishment in Greece and the interest is attributed/paid to that permanent establishment. The withholding is calculated on the total interest amount of the coupon and is imposed on the coupon maturity date. Such withholding exhausts the tax liability of Greek tax residents who are individuals.

More particularly, the withholding will be applied on the date of payment of the interest under the Instruments or on any date on which a Holder sells any Instruments with reference to the interest accrued during the relevant Interest Period up to the time of such sale.

Interest from the Instruments will be subject to a further tax called “solidarity contribution.” The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

And

15 per cent. withholding tax on account of Greek tax law (as interpreted by circular POL 1042/26.1.2015) will be imposed on Holders who are not Greek tax residents and do not maintain, for tax purposes, a permanent establishment in Greece, subject to the provisions of the applicable double taxation treaty signed between Greece and the state of origin (if any) and to filing the required documentation proving tax residence in this context.

Interest from the Instruments will be subject to a further tax called “solidarity contribution.” The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

If the Holder is a legal person or legal entity, tax resident of Greece, a Greek permanent establishment of a legal person or legal entity, or tax resident of any other country, withholding is imposed on the interest at a rate of 15 per cent. The interest is included in the calculation of the total income of the legal person or entity, which is taxed as business profits at a rate of 29 per cent., and is declared in the annual income tax return. The tax withheld is credited against the Holder’s annual income tax due for this income and in case the amount withheld is larger than the amount due under the annual income tax return then the difference amounts to a tax credit to the Holder.

If the Holder is an individual or legal person or legal entity which/who is not a Greek tax resident and the Instruments are not effectively connected with a Greek permanent establishment, then tax is imposed on the interest at a rate of 15 per cent., withheld by the Bank acting in its capacity as Issuer.

If the Holder is tax resident of a country with which Greece has entered into a double taxation treaty and the Instruments are not effectively connected with a Greek permanent establishment, then tax is imposed on the interest at an effective rate limited to the rate specified in the applicable double taxation treaty, subject to such Holder claiming such right under the double taxation treaty and producing the required documentation proving tax residence in this context. Income thus received by the Holder may be subject to tax in the Holder's country of tax residence.

As regards individuals, interest from the Instruments will be subject to a further tax called "solidarity contribution." The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

If the Holder is a UCITS (ΟΣΕΚΑ) with establishment either within Greece or within the EU or EEA, or Greek Investment Company (ΑΕΕΧ), then no withholding tax is imposed on the interest (Article 46(c) ITC for ΟΣΕΚΑ and ΑΕΕΧ).

If the Holder is a Greek REIC (ΑΕΕΑΠ), no withholding tax is imposed provided that REIC acquired the Instruments at least thirty (30) days before the interest payment date, otherwise withholding is made, whereby the tax liability of the REIC is exhausted (Article 31(2) law 2778/1999 for ΑΕΕΑΠ).

Capital gains realised from the sale of the Instruments

Capital gains from the sale of the Instruments issued by the Bank

In relation to capital gains realised by Holders from the sale of Instruments issued by the Bank:

Pursuant to article 14 of Greek law 3156/2003, capital gains realised by holders of Instruments issued under law 3156/2003 are exempted from taxation in Greece (circular POL 1032/26.1.2015). If the capital gains beneficiaries are Greek legal entities or foreign legal entities which have a permanent establishment in Greece through which they hold the Instruments, the corporate taxation is deferred upon their distribution to the shareholders or capitalisation.

As regards individuals, capital gains from the Instruments will be subject to a further tax called "solidarity contribution." The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

Capital gains from the sale of the Instruments issued by ERB Hellas plc or ERB Hellas (Cayman Islands) Limited

In relation to capital gains realised by Holders from the sale of Instruments issued by ERB Hellas plc or by ERB Hellas (Cayman Islands) Limited:

Pursuant to the Greek Income Tax Code, Greek legal entities and foreign legal entities with a permanent establishment in Greece are subject to taxation at 29 per cent. on capital gains derived from the sale of foreign corporate bonds (such as the Instruments issued by ERB Hellas PLC and/or ERB Hellas (Cayman Islands) Limited).

However, as interpreted by circular POL 1032/26.1.2015, capital gains arising from the sale of Instruments issued by EU legal entities are exempt from Greek corporate taxation. Such taxation is deferred upon capital gains distribution to the shareholders or capitalisation.

In addition, individuals tax residents in Greece will be exempted from capital gains tax in relation to Instruments issued by ERB Hellas PLC on the basis of circular POL 1032/26.1.2015. In relation to Instruments issued by ERB Hellas (Cayman Islands) Limited, individuals will be subject to capital

gains tax of 15 per cent., or if the capital gains constitute income from business activity for certain individuals, then those individuals will be taxed at a progressive tax scale as provided by Law 4172/2013.

As regards, individuals, capital gains from the Instruments will be subject to a further tax called "solidarity contribution." The rate of the solidarity contribution rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

Holders who/which are not tax residents in Greece and do not have a permanent establishment in Greece for tax purposes, through which they hold the Instruments, will not, on account of Greek tax laws, owe tax in relation to capital gains from the Instruments issued by ERB Hellas PLC as well as ERB Hellas (Cayman Islands) Limited, as no income is generated in Greece.

If the Holder is a UCITS (ΟΣΕΚΑ) with establishment either within Greece or within the EU or EEA, or Greek Investment Company (ΑΕΕΧ), or Greek REIC (ΑΕΕΑΠ) then no tax is imposed on the capital gains realised from the sale of Instruments (Article 46(c) ITC for ΟΣΕΚΑ and ΑΕΕΧ, Article 31(2) law 2778/1999 for ΑΕΕΑΠ).

Payments of interest under the Guarantee

What is mentioned under "Payments of interest by the Bank" above will also apply in this case, *mutatis mutandis*.

UNITED KINGDOM

The following is an overview of the Issuer's understanding of current United Kingdom tax law and published practice of HM Revenue & Customs ("HMRC") which may be subject to change, sometimes with retrospective effect, and relates only to the withholding tax treatment of payments of interest in respect of the Instruments. The comments do not deal with any other United Kingdom tax aspects of acquiring, holding or disposing of Instruments. The comments relate only to the position of persons who are beneficial owners of the Instruments. Prospective Holders should be aware that the particular terms of issue of any Series of Instruments as specified in the applicable Final Terms may affect the tax treatment of that Series of Instruments. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Holders who are in any doubt as to their tax position should consult their own professional advisers.

Holders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Instruments are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Instruments. In particular, Holders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Instruments even if such payments may be made without deduction of or withholding on account of taxation under the laws of the United Kingdom.

1. *United Kingdom Withholding Tax on United Kingdom Source Interest*

   Payments of interest on the Instruments issued by the Bank or ERB Hellas (Cayman Islands) Limited that do not have a United Kingdom source ("UK Source") may be made without deduction or withholding on account of United Kingdom income tax. The location of the source of a payment is a complex matter and it is necessary to have regard to case law and HMRC practice.

Payments of interest on the Instruments issued by ERB Hellas PLC, and the Bank or ERB Hellas (Cayman Islands) Limited if they have a UK Source, may be made without deduction or withholding on account of United Kingdom income tax in any of the following circumstances.

Instruments which carry a right to interest will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 provided they are and continue to be "listed on a recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. Instruments will be regarded as "listed on a recognised stock exchange" for this purpose if (and only if) they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of and in accordance with Part VI of the Financial Services and Markets Act 2000) and are admitted to trading on the London Stock Exchange, or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange and are admitted to trading on that recognised stock exchange.

The Luxembourg Stock Exchange is a recognised stock exchange for these purposes. The Issuers' understanding of current HMRC practice is that Instruments which are listed and admitted to trading on the Main Market of the Luxembourg Stock Exchange should be regarded as "listed on a recognised stock exchange" for these purposes. Provided, therefore, that the Instruments carry a right to interest and are and continue to be quoted Eurobonds, interest on the Instruments will be payable without deduction of or withholding on account of United Kingdom income tax.

Interest on the Instruments may also be paid without deduction of or withholding on account of United Kingdom tax where the maturity of the Instruments is less than 365 days and those Instruments do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

Payments of interest on Instruments may be made without deduction of or withholding on account of United Kingdom income tax if the Instruments are "regulatory capital securities". The Instruments will be "regulatory capital securities" if they qualify, or have qualified, as Additional Tier 1 instruments under Article 52 or Tier 2 instruments under Article 63 of Commission Regulation (EU) No 575/2013 and form, or have formed, a component of Additional Tier 1 capital or Tier 2 capital for those purposes. This is subject to there being no arrangements the main purpose, or one of the main purposes, of which is to obtain a tax advantage (as defined in section 1139 of the Corporation Tax Act 2010) for any person as a result of the application of the Taxation of Regulatory Capital Securities Regulations 2013 in respect of the Instruments.

In other cases, an amount must generally be withheld from payments of interest on Instruments that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Holder, HMRC can issue a notice to the Issuer to pay interest to the Holder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

2. *Payments by the Guarantor*

If the Guarantor makes any payments in respect of interest (or other amounts due under the relevant Instruments other than the repayment of amounts subscribed for such Instruments)

on Instruments issued by ERB Hellas PLC (or on Instruments issued by ERB Hellas (Cayman Islands) Limited, to the extent that those payments have a UK Source), such payments may be subject to United Kingdom withholding tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. Such payments by the Guarantor may not be eligible for any of the other exemptions described above.

3. *Payments under Deed of Covenant*

Any payments made by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited, to the extent that those payments have a UK Source under the relevant Deed of Covenant may not qualify for the exemptions from UK withholding tax described above.

4. *Other Rules Relating to United Kingdom Withholding Tax*

Instruments may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Instruments will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above.

Where Instruments are issued with a redemption premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest in respect of Instruments may be subject to United Kingdom withholding tax as described above.

Where interest has been paid under deduction of United Kingdom income tax, Holders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to “interest” above mean “interest” as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of “interest” which may prevail under any other law or which may be created by the terms and conditions of the Instruments or any related documentation. Prospective Holders should seek their own professional advice as regards the withholding tax treatment of any payment on the Instruments which does not constitute "interest" as that term is understood in United Kingdom tax law.

Where a payment on the Instruments does not constitute (or is not treated as) interest for United Kingdom tax purposes, it may be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment, a manufactured payment, rent or royalties for United Kingdom tax purposes (which will be determined by, amongst other things, the terms and conditions of the relevant Instruments). In such a case, the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding tax depending on the nature of the payment), subject to any exemption from withholding tax which may apply and to such relief as may be available under the provisions of any applicable double taxation treaty.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an Issuer pursuant to Condition 21 of the Instruments and does not consider the tax consequences of any such substitution.

To the extent that a guarantee payment or a payment on the Instruments made by ERB Hellas (Cayman Islands) Limited is made after withholding or deduction for or on account of United Kingdom income tax, the Guarantor or ERB Hellas (Cayman Islands) Limited (as the case may be) may not be obliged to pay such additional amounts as may be necessary in

order that the net amounts received by the Holder after such withholding or deduction shall equal the respective amounts that would have been receivable by the Holder in the absence of such withholding or deduction. In addition, the Issuers and Guarantor will not be required to pay any such additional amounts to the extent that any Instrument or Coupon is presented for payment in the Hellenic Republic, the Cayman Islands or the United Kingdom.

CAYMAN ISLANDS

Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Instrument under the laws of their country of citizenship, residence or domicile.

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Instruments issued by ERB Hellas (Cayman Islands) Limited. The discussion is a general overview of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

1. UNDER EXISTING CAYMAN ISLANDS LAWS:

1.1 payments of interest and principal on the Instruments issued by ERB Hellas (Cayman Islands) Limited will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Instruments issued by ERB Hellas (Cayman Islands) Limited nor will gains derived from the disposal of such Instruments be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;

1.2 no stamp duty is payable in respect of the issue of the Instruments issued by ERB Hellas (Cayman Islands) Limited, if in bearer form. The Instruments themselves will be stampable if they are executed in or brought into the Cayman Islands; and

1.3 no stamp duty is payable in respect of the issue of the Instruments and certificates evidencing the Instruments, if in registered form. An instrument of transfer in respect of such an Instrument or a certificate is stampable if executed in or brought into the Cayman Islands.

ERB Hellas (Cayman Islands) Limited has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has obtained an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

"The Tax Concessions Law
1999 Revision
Undertaking as to Tax Concessions

In accordance with Section 6 of The Tax Concession Law (1999 Revision) the Governor in Cabinet undertakes with ERB Hellas (Cayman Islands) Limited "the Company":

1. that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

2. in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

    2.1 on or in respect on the shares, debentures or other obligations of the Company;

or

2.2 by way of the withholding in whole or part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of twenty years from the 14th day of May, 2002."

LUXEMBOURG

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Instruments should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(i) Non-resident holders of Instruments

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Instruments, nor on accrued but unpaid interest in respect of the Instruments, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Instruments held by non-resident holders of Instruments.

(ii) Resident holders of Instruments

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the "Relibi Law") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Instruments, nor on accrued but unpaid interest in respect of Instruments, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Instruments held by Luxembourg resident holders of Instruments.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under the Instruments coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by "foreign financial institutions" ("foreign passthru payments"), (ii) dividend equivalent payments (as described below in "U.S. Dividend Equivalent Withholding") and (iii) payments of gross proceeds from the

disposition of securities that generate dividend equivalent payments, in each case, to persons that fail to meet certain certification, reporting, or related requirements. Eurobank is classified as an FFI and each of (i) ERB Hellas PLC and (ii) ERB Hellas (Cayman Islands) Limited may be classified as an FFI. A number of jurisdictions (including the United Kingdom, the Cayman Islands and Greece) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Instruments, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Instruments, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments or payments of gross proceeds from the disposition of Instruments that generate dividend equivalent payments, such withholding would not apply prior to 1 January 2019 and Instruments characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). The grandfathering date for (A) Instruments that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Instruments that give rise to a dividend equivalent pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. If additional Instruments (as described under "Terms and Conditions—Further Issues") that are not distinguishable from such previously issued grandfathered Instruments are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Instruments, including the Instruments offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Instruments.

U.S. DIVIDEND EQUIVALENT WITHHOLDING

Section 871(m) of the U.S. Internal Revenue Code of 1986 treats a "dividend equivalent" payment as a dividend from sources within the United States that is generally subject to a 30 per cent. U.S. withholding tax which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A "dividend equivalent" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) and applicable guidance (the "Section 871(m) Regulations") require withholding on certain non-U.S. holders of Instruments with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only an Instrument that has an expected economic return sufficiently similar to that of the underlying U.S. security, based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Instrument a "Specified Instrument"). Certain exceptions to this withholding requirement apply, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on, or upon the date of maturity, lapse or other disposition of, the Specified Instrument. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Instrument, withholding generally will still be required even if the Specified Instrument does not provide for payments explicitly linked to dividends. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Instruments in respect of any dividend equivalent arising with respect to such Instruments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Instruments issued on or after 1 January 2017. If the terms of an Instrument are subject to a "significant modification" (as defined for U.S. tax purposes), the Instrument generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Instrument is a Specified Instrument. Similarly, if additional Instruments of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Instruments out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Instruments are Specified Instruments as the date of such subsequent sale or issuance. Consequently, a previously out of scope Instrument might be treated as a Specified Instrument following such modification or further issuance.

In addition, payments on the Specified Instruments may be calculated by reference to dividends on underlying U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

The applicable Pricing Supplement will indicate whether the Issuer has determined that Instruments are Specified Instruments and may specify contact details for obtaining additional information regarding the application of Section 871(m) to Instruments. A non-U.S. holder of Specified Instruments should expect to be subject to withholding in respect of any underlying dividend-paying U.S. securities. The Issuer's determination is binding on non-U.S. holders of Instruments, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Instruments linked to U.S. securities and their application to a specific issue of Instruments may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Instruments.

THE PROPOSED FINANCIAL TRANSACTIONS TAX ("FTT")

On 14 February 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Instruments (including secondary market transactions) in certain circumstances. The issuance and subscription of Instruments should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Instruments where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Instruments are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Instruments may be sold from time to time by each relevant Issuer to, *inter alios*, any one or more of Eurobank Ergasias S.A. in its capacity as a dealer (the "Initial Dealer") and/or any other entity appointed by the Issuers from time to time either generally in respect of the Programme or in relation to a particular Tranche (together with the Initial Dealer, the "Dealers"). The arrangements under which Instruments may from time to time be agreed to be sold by the relevant Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 24 May 2018 (such Dealership Agreement as modified and/or supplemented and/or restated from time to time, the "Dealership Agreement") and made between the Issuers, the Guarantor and the Initial Dealer. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Instruments, the price at which such Instruments will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the relevant Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Instruments.

United States of America *Regulation S Category 2; TEFRA D, unless TEFRA C or TEFRA not applicable is specified in the applicable Final Terms.*

Instruments have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Instruments are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by United States Treasury regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver Instruments, (i) as part of their distribution at any time or (ii) otherwise until forty days after the completion of the distribution of the Instruments comprising the relevant Tranche, as certified by the relevant Dealer or, in the case of an issue of Instruments on a syndicated basis, the relevant lead manager, of all of the Instrument of the Tranche of which such Instruments are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Instruments during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Instruments within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until forty days after the commencement of the offering of Instruments comprising any Tranche, any offer or sale of such Instruments within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Exempt Instruments which are also Index Linked Instruments, Equity Linked Instruments or Dual Currency Instruments shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Exempt Instruments, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

Prohibition of sales to European Economic Area Retail Investors

Unless the applicable Final Terms in respect of any Instruments specifies "*Prohibition of Sales to European Economic Investors*" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Instruments which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(ii) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Directive; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments.

If the applicable Final Terms in respect of any Instruments specifies "*Prohibition of Sales to European Economic Investors*") as "Not Applicable", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), it has not made and will not make an offer of Instruments which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Instruments to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Instruments referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Instruments to the public" in relation to any Instruments in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Instruments issued by ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Instruments other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Instruments would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which Section 21(1) of the FSMA (i) (where the relevant Issuer is ERB Hellas PLC or ERB Hellas (Cayman Islands) Limited) does not, or, in the case of the Guarantor, would not, if the Guarantor was not an authorised person, apply to the relevant Issuer or the Guarantor or (ii) (where the relevant Issuer is the Bank) would not, if the Bank was not an authorised person, apply to the Bank; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom.

Japan

The Instruments have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the "FIEA") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Instruments, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

The Republic of France

The relevant Issuer, the Guarantor (if applicable) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Instruments to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus, the applicable Final Terms or any other offering

material relating to the Instruments, and that such offers, sales and distributions have been and will be made in France only to qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D411-4 of the French *Code monétaire et financier*.

Greece

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has complied and will comply with (i) the provisions of the Public Offer Selling Restriction under the Prospectus Directive, described above in this section; (ii) all applicable provisions of Law 3401/2005, implementing into Greek Law the Prospectus Directive; and (iii) all applicable provisions of Law 3606/2007, as amended by Law 4514/2018, with respect to anything done in relation to any offering of any Instruments or advertisement, notice, statement or other action involving Instruments in, from or otherwise involving the Hellenic Republic.

Cayman Islands

In the case of any Instruments issued by ERB Hellas (Cayman Islands) Limited, no invitation may be made directly or indirectly to the public in the Cayman Islands to subscribe for any of the Instruments. In the case of any Instruments issued by an Issuer (other than ERB Hellas (Cayman Islands) Limited), no Instruments may be offered (by electronic means or otherwise) or sold by or on behalf of such Issuer within, or from within, or through an internet service provider or other electronic service provider located in, the Cayman Islands if such offer or sale would require such Issuer to be registered as a foreign company under the Companies Law (2018 Revision) of the Cayman Islands.

General

Other than with respect to the approval of this Prospectus as a base prospectus in accordance with Article 5.4 of the Prospectus Directive and, in relation to any issue of Instruments, as may be specified in the applicable Final Terms, no action has been or will be taken in any country or jurisdiction by the Dealers that would permit a public offering of Instruments, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands the Prospectus or any Final Terms comes are required by the relevant Issuer, (if applicable) the Guarantor and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Instruments or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the first paragraph of this section “General”.

Selling restrictions may be supplemented or modified with the agreement of the relevant Issuer. Any such supplement or modification will, in the case of Exempt Instruments only, be set out in the applicable Pricing Supplement (in the case of a modification relevant only to a particular Tranche of Exempt Instruments) or (in any other case) in a supplement to this Prospectus and a supplement to the Dealership Agreement.

GENERAL INFORMATION

1. Application has been made for PD Instruments issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II.

   However, Instruments may be issued under the Programme which will not be listed or admitted to trading on the Luxembourg Stock Exchange or any other stock exchange or any other relevant authority or which will be listed or admitted to trading on such stock exchange or any other relevant authority as the relevant Issuer and the relevant Dealer(s) may agree.

2. The establishment of the Programme and the issuance of Instruments thereunder by ERB Hellas PLC was authorised by resolutions of the Board of Directors of ERB Hellas PLC on 30 September 1999. The accession of ERB Hellas (Cayman Islands) Limited as an Issuer under the Programme was authorised by resolutions of the Board of Directors of ERB Hellas (Cayman Islands) Limited on 15 May 2002. The establishment of the Programme and the giving of the guarantee was authorised by resolutions of the Board of Directors of the Guarantor on 12 March 1999, 10 June 1999, 22 September 1999, 13 October 1999 and 24 April 2002. The increase in the aggregate principal amount of the Programme to €5,000,000,000 was authorised by resolutions of the Board of Directors of ERB Hellas PLC on 30 July 2008, of ERB Hellas (Cayman Islands) Limited on 30 July 2008 and of the Guarantor on 3 July 2008. The accession of the Bank as an Issuer under the Programme was authorised by resolutions of the Board of Directors of the Bank on 20 July 2009. The 2014 update of the Programme was authorised by resolutions of the Board of Directors of the Bank on 31 March 2014 and by resolutions of the Board of Directors of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited each on 21 May 2014. The 2015 update of the Programme was authorised by resolutions of the Board of Directors of the Bank on 28 April 2015 and by resolutions of the Board of Directors of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited each on 12 May 2015. The 2016 update of the Programme was authorised by resolutions of the Board of Directors of the Bank on 12 April 2016 and by resolutions of the Board of Directors of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited each on 21 April 2016. The 2017 update of the Programme, any subsequent annual updates of the Programme and the downsizing of the Programme to €5,000,000,000 was authorised by resolutions of the Board of Directors of the Bank on 28 April 2017 and by resolutions of the Board of Directors of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited each on 18 May 2017. The 2018 update of the Programme was authorised by resolutions of the Board of Directors of ERB Hellas PLC and ERB Hellas (Cayman Islands) Limited each on 23 May 2018. Each Obligor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Instruments.

3. Save as disclosed in note 47 of the audited consolidated annual financial statements of the Bank for the financial year ended 31 December 2017 and the section titled "Eurobank Ergasias S.A. - Legal Matters", none of the Obligors and any other member of the Group is involved in any governmental, legal, administrative, judicial or arbitration proceedings (including any proceedings which are pending or threatened of which any of the Obligors is aware) which any Obligor believes may have or which have had a material effect on the financing condition or the results of operations or that of any Obligor in the 12 months preceding the date of this Prospectus.

4. Save as disclosed in note 2.1.2 (Transition to IFRS9 'Financial Instruments' and impact analysis) and note 41 (Preference Shares/post balance sheet events) of the audited

consolidated annual financial statements of the Bank for the financial year ended 31 December 2017 and taking into consideration the 2018 Stress Test Results (as disclosed in section "*Eurobank Ergasias S.A. – 2018 Stress Tests Results*"), there has been no material adverse change in the prospects of the Bank and no significant change in the financial position of the Bank and its subsidiaries taken as a whole since 31 December 2017 (the last day of the financial period in respect of which the most recent audited financial statements of the Bank have been prepared).

Save as disclosed in note 2.1 (paragraphs "IFRS 9 Financial Instruments effective 1 January 2018" up to "Impact assessment") of ERB Hellas plc financial statements for the year ended 31 December 2017, there has been no material adverse change in the prospects of ERB Hellas PLC and no significant change in the financial position of ERB Hellas PLC since 31 December 2017 (the last day of the financial period in respect of which the most recent audited financial statements of ERB Hellas PLC have been prepared).

Save for the application of IFRS 9 effective from 1 January 2018, there has been no material adverse change in the prospects of ERB Hellas (Cayman Islands) Limited and no significant change in the financial or trading position of ERB Hellas (Cayman Islands) Limited since 31 December 2016 (the last day of the financial period in respect of which the most recent audited financial statements of ERB Hellas (Cayman Islands) Limited have been prepared).

5. For the period of 12 months following the date of this Prospectus, copies and (where appropriate) English translations of the following documents will, when published, be available for inspection at the registered offices of each Obligor and at the specified offices of the Issue and Paying Agent and the Paying Agent in Luxembourg:

   (a) the constitutional documents of each Obligor;

   (b) the Issue and Paying Agency Agreement, the Dealership Agreement, the Deed of Guarantee, the ERB Hellas PLC Deed of Covenant, the ERB Hellas (Cayman Islands) Limited Deed of Covenant and the Bank Deed of Covenant;

   (c) a copy of this Prospectus, any supplement to this Prospectus, each document incorporated herein by reference, Final Terms and Pricing Supplements (in the case of Exempt Instruments) (save that Pricing Supplements will only be available for inspection by a holder of such Exempt Instrument and such holder must produce evidence satisfactory to the Issuer or the Guarantor, as the case may be, as to its holding of such Exempt Instrument);

   (d) in the case of each issue of PD Instruments admitted to trading on the Luxembourg Stock Exchange's regulated market subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document);

   (e) the audited annual consolidated financial statements of the Bank in respect of the financial years ended 31 December 2017 and 31 December 2016, in each case together with the auditors' reports prepared in connection therewith;

   (f) the audited annual financial statements of ERB Hellas PLC in respect of the financial years ended 31 December 2017 and 31 December 2016, in each case together with the auditors' reports prepared in connection therewith;

   (g) the audited annual financial statements of ERB Hellas (Cayman Islands) Limited in respect of the financial years ended 31 December 2016 and 31 December 2015, in each case together with the auditors' reports prepared in connection therewith; and

(h) all reports (other than auditors' reports), letters, valuations and statements prepared at an Obligor's request and included (in whole or in part) in this Prospectus.

In addition, copies of this Prospectus, any supplement to this Prospectus, each document incorporated by reference and Final Terms relating to PD Instruments which are either admitted to trading on the Luxembourg Stock Exchange's regulated market or offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be available on the Luxembourg Stock Exchange's website at *www.bourse.lu* and, free of charge, upon request from the registered office of each Obligor.

6. The Instruments have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and the International Securities Identification Number in relation to the Instruments of each Tranche will be specified in the applicable Final Terms relating thereto. The applicable Final Terms shall specify any other clearing system as shall have accepted the relevant Instruments for clearance together with any further appropriate information.

   The address of Euroclear Bank SA/NV is 1, Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

7. The issue price and amount of the Instruments of any Tranche to be issued under the Programme will be determined at the time of offering of such Tranche in accordance with then prevailing market conditions.

8. In relation to any Tranche of Fixed Rate Instruments and any Tranche of Reset Rate Instruments, an indication of the yield in respect of such Instruments will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Instruments on the basis of the relevant Issue Price and (in the case of Reset Rate Instruments), the relevant Initial Rate of Interest. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Instruments and will not be an indication of future yield.

9. Instruments (other than Temporary Global Instruments) to which the TEFRA D Rules apply and any Coupon appertaining thereto will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

   The sections referred to in such legend provide that a United States person who holds an Instrument or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Instrument or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

10. The auditors of ERB Hellas PLC are PricewaterhouseCoopers LLP of 7 More London Riverside, London SE1 2RT, England (members of the Institute of Chartered Accountants in England and Wales), Chartered Accountants and Registered Auditors, who have audited the financial statements of ERB Hellas PLC, without qualification in accordance with IFRS, for the financial year ended 31 December 2017 and without qualificationbut with an emphasis of matter, in accordance with IFRS for the financial year ended 31 December 2016.

    The auditors of ERB Hellas (Cayman Islands) Limited are PricewaterhouseCoopers S.A. of 268 Kifissias Avenue, 152 32 Halandri, Greece (members of the Institute of Certified Auditors-

Accountants in Greece), Chartered Accountants and Registered Auditors, who have audited the financial statements of ERB Hellas (Cayman Islands) Limited, without qualification, in accordance with IFRS for the financial year ended 31 December 2016 and without qualification but with an emphasis of matter, in accordance with IFRS, for the financial year ended 31 December 2015.

The auditors of the Bank are PricewaterhouseCoopers S.A. of 268 Kifissias Avenue, 152 32 Halandri, Greece (members of the Institute of Certified Auditors-Accountants in Greece), Chartered Accountants and Registered Auditors, who have audited the Bank's financial statements, without qualification in accordance with IFRS, for the financial year ended 31 December 2017 and without qualification but with an emphasis of matter, in accordance with IFRS, for the financial year ended 31 December 2016.

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